

**MODERN
BUSINESS PRACTICE**

MODERN BUSINESS PRACTICE

A COMPREHENSIVE PRACTICAL GUIDE
AND WORK OF REFERENCE FOR OFFICE
WAREHOUSE EXCHANGE AND MARKET

*Prepared by many Specialists
under the Editorship of*

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VOLUME II

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PART I

THE PRACTICE
OF BUSINESS

(Continued)

CHAPTER XII

COMMERCIAL AGENTS AND TRAVELLERS

Introductory—Terms of Employment—Relations with Customers—Instruction of Travellers—The Traveller's Connection—Commission Agents—Commercial Travellers' Associations—Commercial Travellers Abroad.

INTRODUCTORY

The subject of commercial travellers may be treated from the point of view of the employer, and from the point of view of the traveller himself. The latter point of view may be dissected and considered in regard to the relations between the commercial traveller and his firm, and the relations between the commercial traveller and his customers.

Qualifications

The type of man who makes the best commercial traveller is the type whom we have discussed as the best salesman in a former chapter (see Vol. I, p. 25)—the man with a magnetic personality, enthusiastic about everything to which he puts his hand, diplomatic as a commercial traveller needs to be, of wide general interests, who can talk sensibly upon subjects likely to appeal to his customers, actual or prospective—for the successful traveller does not confine his conversation strictly to business—hard-working and energetic, trustworthy in every detail, even when not under close supervision, and, finally, looking after his employer's interests as if they were his own. There are plenty of such men, and it lies with employers to find them and utilize their services. The man easily disconcerted

or liable to fits of depression should never take to the road. It is a calling which especially demands a cheerful and sanguine view of life. It is far more important, in appointing a commercial traveller, to select a man with these human qualities, even if he has not had experience, than it is to select a man with experience but without these qualities. In other words, the employer should look for potential rather than for existing qualities, leaving experience on the road to develop the latent talents of the individual. To select a man who is without experience, but who has the making of a good traveller in him, may result in reduced business for a short time, but in almost every case it pays in the end. The services of such a man can be engaged upon more reasonable terms than the services of a man with a connection, and, being new to the business, he is more likely to work along the lines laid down by his employer. Also, if it is desirable that he should enter into an agreement binding himself not to start in opposition or enter the employ of another house in the district that is allotted to him, he may do so if he brings no personal connection with him, but he is not likely to do so if he carries with him a connection gained by many years of experience on the road.

TERMS OF EMPLOYMENT

It is reasonable that a commercial traveller who is to be in a position to handle money belonging to his employers should provide a fidelity guarantee. (See Chapter IV of this Part, and Part

III, Chapter VIII.) Any restrictive agreement by which the traveller binds himself not to oppose his employers on his ground after leaving their employment should be carefully drawn under legal

advice. The usual terms of such an agreement are that for a stipulated time, say from one to five years after leaving their service, he may not call upon customers on his ground with any competing line of goods. The provisions of the agreement must not be too wide in their scope, or the Court may, upon an attempt to enforce them, hold them to be an unreasonable restraint of trade, and refuse to give either damages or an injunction restraining the traveller from doing what he specifically undertook not to do. (See Part III, Chapter XVI.)

It is a wise policy that frames the remuneration of travellers with some commission arrangement in addition to salary. No matter how good a man may be, he always has a sharper eye for the interests of his firm if his remuneration rises as his orders increase. To make the pecuniary interest of the traveller coincide with the pecuniary interest of the house always pays. In some classes of business it is not feasible to give a commission upon sales, because some lines of goods would not stand it. When this is the case, the difficulty is overcome by selecting the most remunerative lines, and upon all of these sold, or upon all sold in excess of a certain value, commission should be paid. Another plan is to reckon that for salary and expenses a traveller ought to do a certain amount of business, and upon all business in excess of that amount to pay a commission. The traveller should be made to bear a proportion of the loss by bad debts, so as to restrain him from opening or advising the opening of accounts that are risky.

There should be a specific expense allowance—if travelling in the United Kingdom, say, railway fares and from 10s. to 20s. per day—the exact amount depending upon the standing of the house represented, the class of hotel at which the principals wish their representative to stay, and the amount of samples required to be carried. The advantage of a specific expense allowance is plain. The traveller is not then trying to charge out his expenses illegitimately, and the house does not entertain the suspicion that he may be doing so. Under a specific allowance he is welcome to make anything if he can.

When a traveller gets commission, should he be credited with commission on all orders coming from his ground, even if he has not booked the orders? The answer should usually be in the affirmative. Unless there are strong reasons why this is not feasible, it should be done. The tra-

veller has then no reason for trying to prevent the customers from getting into direct contact with the house, and the closer the contact the better for the house. Some firms pay reduced commission on direct orders, and this is better than none at all. Some, again, stipulate that commission on direct orders is paid only when the traveller can show that he has called on the customer and introduced the goods, or has in some way been instrumental in making the goods known to the buyer. This is not reasonable. By treating all the business coming from his district as belonging to the traveller, a good follow-up system can be adopted. In such a case the traveller makes reports of all his calls, and gives advice regarding letters to be sent to his customers between journeys. A buyer may have a good stock of a line of goods, but the traveller may be quite sure that he will require to buy before his next journey. Then, if his best efforts to book a forward order fail, he may report, advising his firm to write for the order at what he thinks will be the propitious moment. Strong co-operation of this nature between the traveller and the office will certainly increase turnover. •

If a firm pays a salary with full expenses to a travelling representative, the firm is entitled to have the sole services of the traveller during his working hours. This proposition is so obvious that we almost apologize for stating it. But unfortunately there are some commercial travellers who repay the confidence of their employers by occupying part of their time in working for other firms, by carrying side lines which, while they may not compete directly with the goods sold by the firm paying for their services, nevertheless hinder the sale, in that the time spent upon them is time stolen from their employers. The argument that by carrying an attractive side line an account may be opened with a buyer, and that afterwards that opening may be used to the advantage of the firm who pays the salary, is a specious one. The test of the propriety of carrying a side line is the approval of the firm who pays the salary. If that firm does not know of the side line, then to carry a side line is fraudulent. The firm who pays the salary should insert in the agreement with their traveller a provision that he may not work for any person or firm except themselves, and if it be found that this condition is broken by the traveller, instant dismissal should be his reward. Under such circumstances no notice need be given, and no salary in lieu of notice.

RELATIONS WITH CUSTOMERS

The traveller always cultivates personal relations with his customers to a greater or less extent. The customers come to look upon him as a friend. It is to the interest of a firm to foster that feeling as opportunity arises. We give an instance of what should not be done. A friend of the writer, a considerable buyer of fancy goods in the north, came to London on holiday, and the writer showed him round. He specially wished to call upon a firm in Houndsditch with whom he had a good account, conducted through one of their provincial travellers. He called and asked for the traveller. The latter was out, but the member of the firm whom the visitor saw made no attempt whatever to cultivate the personal connection which their traveller had made. If he had invited the customer into the office, shaken hands, and had a ten minutes' chat, it would have served a valuable purpose. But there was not a touch of cordiality in the reception; there was a strong invitation to place an

order for some goods, which only repelled the buyer and reduced the account of the house.

However valuable a traveller may be, his employers are usually unwise in allowing him to be the sole medium of communication between their customers and themselves. It is a good policy that causes one of the principals to take the road at stated intervals, so that the customers may feel a closer bond with the house. Sometimes this policy is considered an unnecessary interference in the district allotted to the traveller; but although it may sometimes be resented by the traveller, and even objected to by some of the customers, its value to the house—the cardinal consideration—is undisputed. It keeps the traveller up to the mark; it enables the firm to find his standing on the road; it enables them to know what their competitors are doing; and it teaches headquarters something about their customers that they can never know when their sole knowledge is gained through the reports of their travellers.

INSTRUCTION OF TRAVELLERS

Care should be taken to instruct the traveller carefully in the goods that he is expected to sell. Merely to send him samples, trusting that he will be able to sell them, may be good enough, but a demonstration of the "talking-points" of the goods is much better. No man can know too much about the goods he sells, unless, indeed, they have faults which it is desired to conceal, knowledge of which might damp his enthusiasm. There are firms who periodically call their travellers in to headquarters and make them listen to the buyers expounding the qualities and properties of the articles they are to carry as samples or sell from catalogues. Thus the traveller is taught to know his book, and he cannot know it too well.

Reports

Travellers ought to fill up report sheets of their calls, and these report sheets should be concise yet specific in the information they contain. They should indicate why buyers seen do not buy. Thus the firm may know what, in the eyes of the trade, are the objections to the goods they manufacture or merchant; they learn who are the competitors to be feared and beaten in individual lines; and they have records upon which correspondence may be carried on between the visits of the travel-

lers. The value of these records is especially felt if the traveller leaves their service. They are then not so much in the dark as to the ground which he covered.

The record of travellers' territories and routes is often kept in map drawers, a number of map drawers constituting a routing unit. Maps of sections of the country are pasted or tacked face up, one in each drawer. Each traveller's territory is outlined on the map by large-headed tacks having coloured heads. Agency territories are usually outlined in the same way, with tacks having heads of different colour. Enquiries which demand a visit from the traveller are represented on the maps by tacks of a special colour, and their position shows instantly how and from what point in his route any particular call can best be made. When there are many travellers, a glance at the maps shows at once where any particular traveller is on any special day.

A good plan in sending instructions or correspondence to a traveller on the road is to have the envelopes numbered consecutively and sent out in numerical order. The traveller who receives a letter in envelope No. 54, while the preceding letter received was No. 52, knows that a letter sent has not reached him, and he forthwith takes steps to trace No. 53.

THE TRAVELLER'S CONNECTION

We now come to the consideration of our subject from the commercial traveller's point of view. To a considerable extent the point of view of the traveller and that of the firm for whom he works harmonize. In other details they are opposite, and the basis of a business arrangement ought to come midway between the two extremes. But although they are opposite, they are not necessarily conflicting. The *via media* ought to be perfectly satisfactory to both parties, provided each recognizes the proper claims of the other.

If we look at the "situations vacant" column of any daily paper we are pretty sure to find firms advertising for commercial travellers, and in the majority of cases the announcement asks for a traveller with a "good connection". These words disclose a state of affairs that is a marked feature of modern business life. The advertisers want a good servant, but they want one who can carry into their service some trade from the firm whom he is or has been serving. There is a good deal to be said both for and against the policy that filches from a rival where it can. Of the legality of the policy there is no question, unless, indeed, there are agreements preventing the traveller from entering a new employment; but this is a point that does not concern the employer. Of the moral aspect of the question something might be said, but morality is not immutably fixed in all circumstances. What would be fair and reasonable in some instances would be quite the reverse in some others. But of the expediency and commercial value of the practice we can say something. On the whole, the practice of engaging travellers with connections is bad. The employer, considering the matter from his own point of view, should remember that the traveller who brings a connection with him into his service will, if he should find it advantageous at a later time, take that connection away again to yet another employer. No traveller brings a connection to any firm and binds himself not in any way to oppose the firm at a later date. Therefore the firm who would be the master of their own business and not have it the sport of a traveller's whim is better advised to retain their own connection, to promote men to the position of travellers, or to engage men without the "good connection", so that they can secure some sort of agreement whereby the traveller will leave them the connection unimpaired if he should quit their employment at a future time.

Another objection to the men who bring a "good connection" with them is that they may have faults which more than discount the value of that con-

nection. If their connection was worth retaining their services for, why are they in want of a position? Why did their former employers part with them?

From the traveller's point of view, the firms who advertise for a "good connection" mean are not the best employers. They want something for nothing, and it is not an uncommon thing for the traveller with a "good connection" to be retained only until the firm has got what value they think serves their turn from that connection, after which a cheaper man is put in his place. No good connection can be transferred frequently and remain unimpaired. The man who thinks he can transfer his customers whither he will has sometimes a rueful awakening from his dream. Above all, men who are employed with really good firms should be careful about thinking that the connection is theirs instead of the firm's. "Swelled head" is a frequent complaint with the traveller. He may think that he is more important than he really is, and, in a pet, may resign a good post, believing that he can carry with him the trade that has been passing through his hands. Of the travellers who have acted thus it is very certain that by far the greater part have lived to repent their action.

The traveller's attitude towards any agreement by which he restricts his future freedom of action is a point of debate. Some hold that the traveller should be left free as the wind, and should on no account bind himself in any way. The right of a traveller to adopt that attitude if he chooses, no one can deny. But if he does so he will shut himself off from many opportunities. It need not be a matter of surprise that a firm who pay full price for service rendered should provide that the loss of connection shall not also be a price paid for that service. So long as the restriction imposed is not oppressive, and does not take from the traveller something to which the firm can have no proper claim, or which is of no value to them, although it may be of value to the traveller, there is no legitimate cause of objection to an agreement limiting the traveller's freedom of action in the event of a termination of the business relationship.

Etiquette of the Road

There is a well-defined etiquette of the road that every old commercial knows and that every young commercial learns, sometimes at the expense of some unpleasantness. In the first place, there is

the attitude of strict fairplay to rivals on the road. If a buyer is engaged with one commercial traveller, it is exceedingly bad form for another traveller to intrude. The latter must wait, with what patience he can command, until his confrère has taken his leave or been dismissed. A similar courtesy will be observed towards himself, so that the operation of the rule is fair all round.

It is foolish to talk business to strangers in the commercial room of the hotel or elsewhere. It seldom does good, and often does harm. We can recall many old travellers whom we have known socially for years in the commercial rooms of hotels before we knew the firms they represented or the goods they sold. Even to customers a discreet tongue should be maintained. The traveller receives many confidences or semi-confidences, and while he legitimately uses the information imparted to him in deciding his course of action in many instances, he has no business to talk of one customer to another. A customer is often pleased when a personal tie grows up between the traveller and himself, but he does not necessarily relish the same tie between his competitors and his traveller friend.

Tactful Negotiation

Following the etiquette of the road, the knowledge of which will soon come to him, and otherwise playing the part of a gentleman and a sportsman, the commercial will find plenty of scope for his talents as a salesman. In talking business, the first aim, of course, should be to secure orders, but insistence and importunity should not be carried to the point of courting a rebuff. The acute commercial sees, before he has gone too far, if an order is going to eventuate, and his insistence ceases when its prosecution would leave a bad impression. To go away without an order is bad, but to go away without an order and after having made a bad impression is a great deal worse. A good impression can pave the way for business next time, while a bad impression left on one journey has to be conquered before negotiation can assume a normal course.

There are some "hogs" on the road. There are many more among the buyers whom the traveller has to interview. The "road hog" does not last long in his travelling capacity. The law of the survival of the fittest operates here. But among the buyers, the "hog", however objectionable to the travellers, may be efficient in his department, and being in a position of authority, it is the traveller's business to conciliate him and win his favour. There is a point beyond which urbanity cannot carry the traveller without loss of his self-respect, and he should not let any buyer go beyond that

point; but the traveller must be essentially a man of even temper, slow to take offence, making all allowances for worries of which he knows nothing. His attitude should be frank, but not to profusion; conciliatory, but not to the point of boot-licking; independent, but not to the point of resentfulness. He should be tactful, and able to take advantage of the mood of the moment in the buyer. If possible, he should find out what personal interest or hobby the buyer has—if it be golf, music, gardening, chess, or fishing—and should exhibit some interest in whichever of these things it may be. But religion and politics are treacherous ground.

The principal of a big business firm was giving a traveller an order, certain instructions regarding which the latter took down in shorthand. The buyer saw this, and said, "Oh, you write phrenology, do you?" The traveller replied, "Yes; I learned it at school, and find it very useful indeed in business." If he had said, "You mean phonography," he would have corrected an ignorant man's misuse of a word and lost an order; but he was wise enough to restrain the impulse of the moment and to cover the blunder adroitly.

Entertaining

A consideration of the lot of a commercial traveller would be incomplete if it did not touch upon the subject of entertaining. The practice of "standing treat" is less common than it used to be, and its decline is in every way to be welcomed. The commercial makes friends on the road, and to lay down the rule that a commercial traveller should never have the opportunity of extending hospitality to his friends would be ridiculous. But drinking during business hours should be rigorously avoided. The track of the commercial traveller is strewn with the wrecks of men who began the practice, thinking to do more business thereby. Enthusiastic and strenuous, high in hope and close in application, they started on a career that would have led them to competence and an old age of honoured ease, but they fell by the wayside, lost to the respect of themselves and others.

Presents

The Christmas box has come to be recognized as an institution in many businesses, and the subject is properly touched upon in considering the commercial traveller, because the recipients of Christmas boxes are usually his customers. A short word for the practice of giving Christmas boxes, if of more than nominal value, is bribery. The giver hopes that the cost of his Christmas box will be repaid to him several times over, and he

gives it with this intention. A defender of the practice said to us some time ago: "I do not expect, by giving a Christmas box, to receive an order from the man on account of the gift. But I do expect that the Christmas box secures for me a favourable interview, and my goods then commend themselves to the buyer. A man to whom I have sent 100 cigars cannot turn me down and say that he is too busy to see me; he at least looks at my samples." Though it is plausible, the defence is hollow. It is merely that the Christmas box brings orders indirectly. As we have said, the Christmas box has

become an institution. It is a vigorous weed in the garden of commerce, and cannot easily be torn up. Some justification there may be if the practice is known to the employers of the recipients, and in some departments of selling it may be almost a necessity. But if it can be done without, it certainly should be. Cadging for Christmas boxes is not unknown, and is contemptible.

The Legislature, perhaps in this instance in advance of public opinion, has recently made the practice of secret commissions under certain circumstances criminal in both giver and receiver.

COMMISSION AGENTS

The commission agent is a variety of the commercial traveller. He is a freer agent, however, and in some respects he is better off. The commission agent has the possibility of making much more than the ordinary commercial traveller, but the risk of making much less. The commercial traveller who has a salary from a good house has a much easier time than the commission agent who embarks his own capital, pays his own expenses, and his own office charges, if he has an office. But the life of the commission agent appeals more strongly to many men. He can add to the houses he represents, or drop some of them as he sees fit. He can devote just as much time to the business of one firm as he finds remunerative, and he is not at the bidding of any man. In short, he is his own master, with the freedom of action of the man in that position. (See also Chapter IV of this Part, and Part III, Chapter II.)

The danger of having a pure commission man as a representative is that he is apt to take up the representation of more houses than he can act for efficiently. We have seen the calling cards of commission men with a formidable list of some twenty names. This is ridiculous. No man can do justice to half the number. Those employing a commission agent should stipulate that the firms represented by him should not exceed a certain number, say, half a dozen, and that none should have conflicting interests. A commission agent should then have his commission upon all the business that comes from his district. He has a hard enough time to get business, and it is only just that the house should not seek to deprive him of the benefit of business which may reach them through his efforts, although he may not have actually transmitted the orders.

COMMERCIAL TRAVELLERS' ASSOCIATIONS

The commercial travellers of the United Kingdom are a numerous body who have gained strength by union. There are several associations of commercial travellers, the largest being the United Kingdom Commercial Travellers' Association (Incorporated). The Association has some seventy provincial branches. Any commercial traveller may become a member for a small yearly subscription, and thus participate in certain tangible advantages. Week-end return tickets are issued by the railway companies to members at the price of a single fare. Such tickets allow commercial travellers to return home to their headquarters

for the week-end at rates much below those they would otherwise pay. The Association also supports its members in legal suits, an active department of its work. It has secured the reduction of cloak-room fees at railway stations. It gives its members most advantageous terms for accident insurance. It has established a Benefit Society, whereby its members receive sick pay varying from 10s. to 60s. per week, and to members desirous of purchasing houses, money is advanced. Its membership of about 14,000 speaks for its strength. There is also a Scottish Association in Glasgow, and an Irish Association in Dublin.

COMMERCIAL TRAVELLERS ABROAD

The subject of trade in foreign countries is considered in Volume II. But something may be said here about the commercial traveller whose business

it is to visit British Colonies and foreign lands. Commercial travelling abroad is by no means the simple matter as regards compliance with formali-

ties that it is in the United Kingdom, and even in those few cases where there are no special regulations or restrictions upon foreign commercial travellers, there is the question of duties on samples to be considered. In some countries and colonies, e.g. the Argentine, Brazil, British South Africa, the Scandinavian countries, a licence costing anything from £5 upwards has to be taken out by every commercial traveller visiting the country. In other countries, e.g. Holland and New Zealand, the foreign commercial traveller, even though his sojourn be a limited one, has to pay income tax in respect of business resulting from the visit. In many cases it is necessary for a commercial traveller from abroad to carry with him a certificate of identity issued by his firm, a Chamber of Commerce, or other authority, which in some special cases has to bear the visa or signature of the Consular authority in this country. It is always advisable for a commercial traveller going abroad to carry a passport.

With regard to duties on trade samples, there are usually provisions in force whereby a deposit may be made on entering a foreign country, such deposit being refunded on the traveller being able

to prove that he has taken the samples out of the country again within a fixed period. To effect this it is generally necessary for the traveller, *before leaving the United Kingdom*, to get the British Customs Authorities to mark, stamp, or seal his samples, and to furnish him with a properly attested list, which he can produce to the foreign customs authorities.

The railway administrations in many countries afford special concessions and have special reduced rates for commercial travellers and their samples, and, as in the case of Canada, it sometimes pays the commercial traveller going abroad to join some travellers' association, whereby he becomes entitled to various concessions. The latest particulars as to the regulations and matters of this sort affecting commercial travellers in the Colonies and foreign countries can generally be obtained by writing to the Commercial Intelligence Department of the Board of Trade.

The chief conditions applying to commercial travellers in the various countries of the world are enumerated in Part II of this work under the various countries and colonies, where they are more conveniently discussed.

CHAPTER XIII

SPECIAL TRADES AND PROFESSIONS

Exclusive Trades and Professions—Trades and Professions not exclusive, but in which Special Training and Diploma are usual—Businesses requiring a Licence—Restraint on Certain Trades

Almost all trades and many professions are open to anyone, but the avenues to some are guarded by restrictive conditions. These conditions may require every member of such trade or profession to belong to a certain body or institution, membership of which can only be secured by a course of special training, or by an examination test, or by both. Anyone who is not so qualified may in some of these cases be absolutely forbidden from pursuing that calling; in others he may be restrained under penalties from describing himself as possessed of the special qualification, or he may be unable, at law, to recover fees for any services he may render in that capacity. In some professions, again, although such qualification by training and examination is not absolutely necessary, all the best practitioners, in fact, possess it; and, without it,

success in the profession is increasingly difficult. In some of these trades and professions, and in others not included in this class, business can only be carried on when a licence has been obtained, and others, again, require the observance of special conditions and regulations. At these various restrictions, regulations, and qualifications we propose briefly to glance in this Chapter, excepting those professions with which the business community is not directly concerned, e.g. the Church, the Army, the Navy, the Civil Service, the Scholastic and Musical professions, and some others of minor importance hardly admitting of classification. Nor can we hope to deal in this work with those trades, technical or otherwise, for which a period of apprenticeship is customary or requisite.

EXCLUSIVE TRADES AND PROFESSIONS

The Law

The Law, a profession which is not open to women, is divided into two branches, solicitors and barristers. The profession also employs a great number of skilled clerical assistants, who, being without the necessary authority, cannot practise on their own account. It is with the solicitors' branch of the profession that the business man comes most frequently into contact, perhaps too frequently, some may think. The division between the two branches is one in training, standing, and practice. In the High Court and in certain other Courts barristers alone have the right of audience, and it is the function of solicitors to prepare the case and attend to the out-of-court proceedings.

In other Courts, like the County Courts and Police Courts, solicitors may also plead as well as barristers. It generally happens that "counsel", as barristers are called collectively and individually, are mainly concerned with advocacy and the giving of opinions on novel or complicated points of law. They are also required, especially on the Chancery side, to draft deeds, agreements, and so forth, which present unusual difficulty. On the one hand, therefore, a solicitor may appear to be at a disadvantage since he is disqualified, not only for the higher advocacy, but also for the more important judicial appointments, which are confined to the Bar. On the other hand, however, it is only through a solicitor that, in the ordinary way, a barrister can act, as it is impossible for him to

engage in litigation on the direct instructions of a lay client, with the single exception of a defence in criminal cases. Solicitors also monopolize most of the lower but more numerous and easily obtainable legal appointments.

In Scotland and Ireland the same division of the profession prevails, except that in Scotland barristers are called advocates, solicitors law agents and Solicitors of the Supreme Court (S.S.C.), while there is a certain privileged class of solicitor known as "Writer to the Signet" (W.S.). In some of the colonies the same custom prevails, while in others the profession is undivided. There are many who advocate the fusion of the two branches of the profession in this country.

It may be said briefly that in England a barrister must be a member of one of the four Inns of Court: the Inner Temple, the Middle Temple, Lincoln's Inn, or Gray's Inn. Irish barristers must belong to King's Inn, Dublin; and Scotch advocates to the Faculty of Advocates, Edinburgh. Admission to an Inn of Court as a student depends on character, a preliminary examination test, and the payment of fees. After admission other examinations must be passed, and a certain number of terms must be kept, by the quaint custom of eating dinners in the hall of the Inn. This is the prescribed course which entitles the student, in other respects a fit person, to be called to the Bar in the hope of practising. In order to become competent to deal with such briefs as may be forthcoming, it is customary to read for a certain time in the chambers of a barrister in good practice. It is also advisable that, before call, students should have spent some time in the office of a firm of solicitors. After call, the prospects of a barrister depend on too many considerations to be discussed in this work. In due time a busy "junior", as he is called, may apply for silk—that is, he may apply to the Lord Chancellor for appointment as one of His Majesty's Counsel. This is a dignity not unalloyed, as it necessitates the refusal of much work, since a K.C. must usually appear in Court accompanied by a junior.

By a fiction of the law, a barrister is supposed to be acting in an honorary capacity, and cannot either sue for his fees or be sued for negligence. The discipline of the profession is ultimately in the hands of the Benchers of the Inns of Court, by whom a barrister guilty of unprofessional conduct may be disbarred. Professional regulations are enforced, however, first of all by the esprit de corps which animates a profession of the highest traditions; secondly, by the authority of circuit and sessions "messes" and by appeal to the Bar Council, which is an organization elected by the profession, and depending on the profession for

any authority which it exercises. Finally, opinion on professional conduct can really only be pronounced by the Attorney-General, and there are many professional points upon which a decisive opinion has been very difficult to obtain.

To become a solicitor, it is necessary to pass certain examinations—a preliminary, an intermediate, and a final—and to be articled for a period of five years, in certain cases three, to a practising solicitor. The governing body of this profession is the Incorporated Law Society. The disciplinary authority is the Statutory Committee of this Society.

When these examinations have been passed and articles duly served, and certain stamp fees paid, the articulated clerk is admitted to the roll of solicitors, if over twenty-one years of age. In order to practise, he must take out an annual certificate (see Part III, Chapter XXVIII), and he generally, in fact, serves a period as managing clerk to another solicitor or firm before practising on his own account.

A solicitor guilty of misconduct may be reported by the Statutory Committee to the High Court and struck off the rolls, suspended, or censured.

Neither he nor a barrister can advertise directly or indirectly; but, unlike a barrister, a solicitor is responsible to his client for negligence, and is in a position to sue for his fees or costs, which, however, are generally subject to scale and to taxation. The relationship between solicitor and client is dealt with more fully in another part of this work. (See Part III, Chapter XXVI.)

Medicine

In this profession, of which a brief notice must suffice here, are included physicians and surgeons and dentists. The rule of law which applies with particular force to this profession is that he who holds himself out as having special skill is responsible for his negligence or for any lack of such special skill. This is in itself a protection for the qualified medical man against the competition of quacks; but the profession is one controlled by law, and demands a special qualification and training. It is open to women, but women practitioners are not numerous.

The governing body is the General Medical Council, London, Edinburgh, and Dublin, consisting of representatives of the Universities and Medical Colleges. The training for physicians and surgeons includes a preliminary examination before entry as a medical student on the register of the Council, four or five years' study and actual practice in walking the hospitals,

and the examinations of the Conjoint Board of the Royal College of Physicians and the Royal College of Surgeons, or the Society of Apothecaries of London, and Apothecaries' Hall, Ireland. Although general practitioners are commonly styled "Doctors", they are only strictly entitled to be so called if they have secured the M.D. degree at one of the Universities. Apart from penalties under the general law in cases of illegal conduct, the General Medical Council exercises control over the profession, and has power to remove any member from the medical register. A person fraudulently holding himself out to be a qualified medical practitioner is liable to heavy penalties.

—There is a Society of Medical Officers of Health, and their diploma is often found advantageous, if not essential, to the practitioner seeking a local government appointment.

It may be noticed here that Midwives in England are required to be certificated, and anyone without such certificate taking the name is liable to a penalty of £5, or for acting as midwife, to a penalty of £10.

Dentists

The General Medical Council also exercises control over dentists, and students, after passing a preliminary examination, must be registered in the same way as medical students. The training for this profession is very similar up to a point, and comprises professional study and "workshop" practice.

No one, save those in practice before August 1, 1879, may use the name "dentist", "dental practitioner", or any other description implying

special skill in dentistry, unless he is a foreign or colonial dentist, or has obtained the title of Licentiate in Dental Surgery. This degree (L.D.S.) is obtained by passing the examinations of the Royal College of Surgeons of England, of Edinburgh, or of Ireland, or the Faculty of Physicians and Surgeons of Glasgow.

Veterinary Surgeons

The Royal College of Veterinary Surgeons, London, is the controlling authority of the profession. Membership can only be obtained by passing the prescribed examinations and undergoing the necessary course of training. Anyone using a name, title, description, or letters indicating that he is a member of that body when he is not so, is liable to a heavy penalty, but otherwise a man is not prevented from practising as a veterinary surgeon.

Chemists and Druggists

No one may call himself a chemist and druggist, nor may he retail or compound poisons, unless he is on the Register of Chemists and Druggists for the United Kingdom. In order to secure this registration, the examinations of the Pharmaceutical Society of Great Britain must be passed, and the applicant must for three or four years have been apprenticed to some qualified chemist.

Apprentices must first pass a preliminary general-knowledge examination, and afterwards the qualifying minor and major examinations of the Society. A systematic course of instruction is advisable before sitting for the final examination.

TRADES AND PROFESSIONS NOT EXCLUSIVE, BUT, IN WHICH SPECIAL TRAINING AND A DIPLOMA ARE USUAL

We have so far been dealing with callings which are in the main confined to those who are specially qualified in a prescribed manner. There are other professions and businesses which are less highly organized. In these the better-class practitioners are almost invariably qualified by training and examination, but they are still subject to the competition of those who are not so equipped. An "unqualified" person may always be restrained from holding himself out as possessing such a qualification, but otherwise he may freely engage in the particular business. Nor is it to be denied that in certain cases he may even be better qualified by practical experience or natural aptitude than many of those that have passed through the more elaborate course.

Speaking generally of the present, and it is an observation which will have increasing force in the future, there is hardly a profession, or one may say a trade, in which there is not some organization which aims at procuring a better appreciation of the responsibilities of the whole membership, an improvement of status, and a more complete technical education in those who are seeking to enter it. It follows that anyone who is not prepared with the credentials which membership of such an association confers must in the ordinary way suffer, whatever the personal abilities may happen to be.

Societies also exist for the regulation and betterment of trade conditions, as, for example, the Proprietary Articles Trade Association; a com-

bination between manufacturers, wholesalers, and retailers working for the suppression of price cutting. Proprietors or manufacturers who are members undertake not to supply their goods to anyone on the P.A.T.A. "Stop List", and any trader who persists in cutting any articles on the List is at once put on the "Stop List". The Society is able in some cases to insist on an adequate division of profits between retailers and wholesalers, and undertakes the protection of proprietary articles on the List.

Accountancy

The profession of accountancy, although of some antiquity in its origin, is, in its modern developments, almost entirely a product of the enormous commercial expansion which has taken place since the close of the Napoleonic wars. A century ago the accountants, or "accountants", practising in the City of London might almost have been numbered on the fingers, whilst to-day there are hundreds of firms and individuals carrying on business, some of them with an expert staff numbering more than one hundred. In addition, there are many more duly qualified men acting as accountants to Government Departments, Municipal Authorities, and great Corporations.

It is not merely in regard to numbers that the position has changed. The professional accountant was formerly regarded as a useful auxiliary in times of pressure, and his assistance was occasionally obtained in cases where irregularities had been discovered. To-day it is difficult to imagine the commercial world without the professional accountant as an essential part of it. The position he occupies has so developed that, from being something little more than a recorder of business transactions, he has come to occupy a position which in some countries—notably in Scotland—places him on an equality as regards professional status with the members of the more ancient professions of law and medicine.

The large increase in the numbers of accountants has been brought about to a considerable extent by the springing into existence in comparatively recent years of Joint Stock Companies with proprietors enjoying the privileges of limited liability. Prior to 1862 only a small proportion of the nation's business had been conducted by Joint Stock Companies.

Many of the companies since brought into existence have very large bodies of shareholders whose interests are in the hands of a few individuals acting as directors of the company, and from the point of view both of the directors and the shareholders, it is highly desirable that the directors' dealings

with the property and funds should be scrutinized by an entirely independent individual. This duty fell naturally, but not completely and at once, into the hands of the professional accountant. As the number of limited companies increased with great rapidity, so the number of persons practising as accountants grew with the demand for their services. This scrutiny or audit of the accounts brought accountants prominently before the general public, and it became the practice to employ them in connection with private firms, not only for audit purposes, but for the investigation of the accounts on the purchase and sale of a business or the admission of a new partner. To them fell also the conduct of liquidations of unsuccessful companies and the winding-up of estates of firms and individuals. Accountants also act in numerous cases as receivers in debenture actions and administrations, and in other capacities in legal proceedings. In fact, they are now nearly always selected in cases either under the Court, or otherwise, where an independent man of business experience is required to act in a representative capacity for diverse interests.

The importance of the work performed by the accountancy profession, and the high reputation gained by its leading members, led to a natural desire on their part to ensure that none but duly qualified persons should hold themselves out to the public as competent to perform the same services. The first step in this direction was taken in Scotland, where about the middle of the last century the leading accountants in Edinburgh and Glasgow presented petitions asking for charters of incorporation. The Edinburgh charter was granted in 1854, and that for Glasgow in 1855. A similar charter was granted to the Accountants of Aberdeen in 1867. The three societies adopted the designation of Chartered Accountant for their members, the title being indicated by the initials C.A. after the members' names. Admission to membership is now only obtainable after service of articles of apprenticeship to a chartered accountant and the passing of three examinations, of which the preliminary embraces the usual educational subjects, and must be passed before entering into articles. The intermediate examination is on professional subjects, and is taken after 1 year's service. During the later years of service as apprentice the would-be chartered accountant has to attend certain university law classes, and the ultimate test for admission is the final examination, which is taken after the completion of the apprenticeship. The examinations are conducted for all three societies by a General Examining Board, which was established in 1892. A fee of 100 guineas is payable on admission to membership

of the Edinburgh society, while in the case of the Glasgow and Aberdeen societies the entrance fee is 50 guineas.

The first association of accountants in England was the "Incorporated Society of Liverpool Accountants" formed in 1870, which was quickly followed by the "Institute of Accountants" in London in the same year. Several associations of accountants were formed in the chief provincial towns during the seventies, and a charter was granted in 1880 incorporating them and the then existing English societies into one association entitled the "Institute of Chartered Accountants in England and Wales". The Institute started with a membership of 527, and has steadily grown in strength both as regards numbers and in the estimation in which its members are held by the commercial community. The number of members exceeds 4000. Members of the Institute are designated Chartered Accountants, the initials F.C.A. or A.C.A. being used to indicate fellowship and associateship.

Admission to the Institute can now only be obtained by service under articles, as in the case of the Scottish societies. The candidate for admission must pass a preliminary examination before entering into articles, but exemption can be obtained upon proof of having passed an equivalent examination. The articles must be entered into with a practising member of the Institute, and a premium, which varies with the standing of the firm, is generally charged by the member to whom the clerk is articulated. Intermediate and final examinations on professional and legal subjects have to be taken during and at the end of the articles, fees of 2 guineas being payable on each examination. On admission to membership as an Associate a fee of £10, 10s. has to be paid, and a further fee of £10, 10s. is charged on becoming a Fellow. The annual subscriptions depend upon whether the member is in practice or not. They vary from £5, 5s. for a Fellow in practice to £1, 1s. for an Associate not in practice.

In 1885 was formed the Society of Accountants and Auditors, which in 1908 changed its name to "The Society of Incorporated Accountants and Auditors", in order to give formal recognition in the title of the Society to the designation of "Incorporated Accountant", of which the Society had obtained a monopoly for its members as the result of legal proceedings. Admission to the Society is obtained by service under articles subject to conditions similar to those in force for chartered accountants, the subjects of examination being practically the same as for the English Institute. A fee of £5, 5s. is payable on admission as an Associate, and a further £5, 5s. on becoming a Fellow.

The annual subscriptions vary from £4, 4s. to £1, 1s.

In addition to admission under Articles, the regulations of the Society provide for election to membership, without articles, of accountants of seven years' continuous public practice. The Council may also admit to membership, subject to examination, accountants in the service of the Government or of a municipality or public body, and public accountants' principal clerks of long service. The members exceed 2300.

The Institute of Chartered Accountants in Ireland was incorporated by Royal Charter in 1888. The conditions of admission and the examinations are, for practical purposes, the same as for the English Institute. The number of members is about 70.

In addition to the associations mentioned above, there are others of more recent establishment whose conditions of admission to membership are not so stringent as those of the societies named. The proportion of practising members is, however, small.

Legislation having for its object the registration of accountants, so as to distinguish qualified from unqualified persons, has occupied the attention of the profession for some years, but no effective action has been taken, owing largely to the difficulty of reconciling the interests of the different societies. A bill has, however, recently been drafted by a joint committee of the English Chartered Institute and the Incorporated Society providing for the registration of all persons practising as professional accountants in England and Wales, and for penalties in the event of any unqualified person holding himself out to the public as ready to undertake for pay the business of a professional accountant.

The Secretarial Profession

A most important profession, which at present has no definite status, is that of the secretary. Seeing that the calling is wide enough to include a Secretary of State or the secretary of the last-formed mutual-improvement society or football club, it is hardly to be expected that the profession should be one to which definite qualifications can always attach. Between these extremes lie a great number of valuable and leading positions in the commercial world. There is hardly a matter of more urgency in regard to certain aspects of public companies and institutions than that the chief executive officer should be a person of probity, independent judgment, character, and adequate qualifications. The secretary of a public company should not lack any of these qualities.

In certain small and not too reputable concerns he is simply a person with no qualifications, intended to have no authority, and chosen merely because he will be the willing instrument of those who mean to treat him as a subordinate clerk.

It seems to be time that the secretary of a public company should have definite qualifications, as he has undoubted responsibilities. Unfortunately, without the qualifications the responsibilities are not understood, or, at any rate, not acted up to, and there are numerous cases which come into the Courts where the secretary of a company is shown to be a ridiculously incompetent person, and often an innocent cause of fraud.

The occupation of secretary in a private capacity calls for less notice, as the qualifications of the individual will be judged by the requirements and tastes of the employer. But this is an occupation where increasing opportunity offers itself to those of either sex who possess the training and temperament suited to the discharge of what is often a responsible and delicate trust. The secretary, however, in a public capacity, whose profession, as we have seen, has obtained no definite hall-mark, is sometimes chosen either because he is related to the directors, or has some special backing, or is prepared to invest a certain amount of money to qualify for a salary which he may not long receive. Placed in the position by such means, he obviously cannot regard himself as an independent official representing the shareholders or subscribers behind the board of management as he should do, nor is he likely to receive in turn from that board the amount of consideration which would perforce be paid to the competent and independent official.

With a view, however, to co-ordinating this profession, and giving it, if not a recognized professional status, at least an opportunity for training, for association, and for collective action, the Chartered Institute of Secretaries of Joint Stock Companies and other Public Bodies was founded in 1891. This has continued to grow in membership and in influence from that time, and to-day has a membership of over 3300. Its permanent address, with Offices, Reading Room, and Library, is at 65 London Wall, E.C. Its objects are: to devise and impose means for testing the qualifications of candidates for membership and granting certificates; to hold conferences and meetings to discuss matters of professional interest; and generally to further the interests of the profession in this manner and in other public and private directions. The Institute issues a monthly journal and a Year Book. There are Fellows and Associates of the Institute, and after a short time an

—ination test was imposed. Examinations now consist of the Preliminary, which is a simple one, and is excused if the candidate has passed one of the usual general educational tests; the Intermediate, which can be taken by anyone who is 21 years of age, and who has been engaged in an office of any public company, society, or institute for six years—four years if in that of a Fellow of the Institute—and is so engaged at the time, and is otherwise a fit person. The Fellowship examination is open to anyone of 25 years of age who has been engaged as his chief occupation on the staff of a public company or body, society or institute, for eight years, and is actually practising at the time, and who has held the office of secretary or some analogous appointment for at least three years. The examinations, both Intermediate and Final, may in exceptional cases be dispensed with by the Council where the candidate possesses undoubted qualifications, and is otherwise a fit person for membership. It is of interest to notice, not merely for the purpose of admission to this Institute, what are the subjects which are prescribed for these examinations, as a sufficient knowledge of them forms the qualification which should be possessed by a secretary in any case.

For the Intermediate examination the subjects are: Correspondence, Filing and Indexing Documents, Precis Writing, Drawing up Reports, Preparing Minutes, Commercial Arithmetic, Book-keeping and Accounts, Mercantile Law, and one of the following subjects: Political Economy, Company Law, French, German, Italian, Spanish, or some other language approved by the Council.

The Fellow's examination comprises: Correspondence, Procedure at Meetings, Preparing Minutes, Reports, &c., Precis Writing, Commercial Arithmetic, Bookkeeping and Accounts, Mercantile Law, and one of the following subjects: Company Law and Accounts, the Law and Accounts relating to one of the following: Municipalities, Railways, Canals and Docks, Gas and Lighting, Waterworks, Banks, Insurance, Mining, Hospitals; French, German, Italian, Spanish, or other language approved by the Council. Fellows of the Institute are known by the letters F.C.I.S., and Associates by the letters A.C.I.S. It is much to be desired that membership of the Institute, which has branches in Manchester, Sheffield, and Birmingham, or at least knowledge of the subjects considered necessary by the Council, should be regarded as an indispensable qualification for candidates for any such position in public companies or institutions of any importance.

There is also a Secretaries' Association, Wool Exchange, London.

Banking, Insurance, and Actuaries

For positions in the Banking and Insurance world, not only a preliminary and general-knowledge examination must be passed, but a nomination must generally be procured from some director, leading official, or customer of the bank or insurance office. For the higher positions in the insurance world, the qualifications of the Institute of Actuaries or the Institute of Secretaries would give theoretical advantages, while practical knowledge either in the actuarial sphere or of foreign languages would also establish a claim.

The Institute of Bankers holds an examination in two parts on a course which spreads over two years, and membership of the Institute confers professional advantages.

Actuaries are experts in statistics who are chiefly concerned with life assurance. The leading members of this profession almost invariably belong to the Institute of Actuaries of Great Britain and Ireland, in London, consisting of Students, Associates, and Fellows, or to the Faculty of Actuaries of Scotland. Before the first step of becoming a Student attached to the Institute can be taken, a preliminary examination must generally be passed. A further examination must be passed in various subjects, of which a knowledge is essential to members of the profession before a Student can become an Associate. An Associate can eventually become a Fellow (F.I.A.) upon passing the two parts of an advanced final examination in subjects which include law and banking. Very similar stages and examinations must be taken by those who aspire to become fellows of the Faculty of Actuaries of Scotland (F.F.A.).

Engineering

Civil Engineering.—Though no qualification is required by law before a person can set up in practice as a Civil Engineer, by organization and the operation of public opinion this is rapidly becoming a close profession. Anyone, therefore, who wishes to make headway should become an Associate Member of the Institution of Civil Engineers, and later, if he desires it, a Member.

The Institution of Civil Engineers, London, embraces among its active branches—

(1) Students (age 18–26) who are pupils of Associate Members or Members, and have passed either the Studentship Examination or one accepted in its place.

(2) Associate Members (age from 25) who have been regularly trained as Civil Engineers and are actually so engaged in the profession, and have

passed the Associate Membership Examination or one accepted by the Council in lieu thereof.

(3) Members (age from 30) who, in addition to the qualifications mentioned in (2), have reached a certain degree of eminence in the profession.

Training.—The following course of training is strongly advised: (a) the Matriculation Examination before leaving school of a university recognized by the Institution of Civil Engineers.

(b) Three years as articled pupil to an Associate Member or Member of the Institution.

(As an alternative to (b), a course is often taken at an Engineering College, but in that case practical training should be taken afterwards.)

(c) During his articles, a pupil should take the B.Sc. degree at a university as mentioned in (a); which will qualify him at the age of 25 for admission as an Associate Member of the Institution. A great help to this course is for the pupil to be articled in one of the numerous towns possessing a college with evening classes.

(d) As an alternative to (c), the Associate Membership Examination of the Institution may, of course, be taken, but the B.Sc. degree is so useful in after life, that it will well repay any additional work in early years.

The pupil should endeavour by all means in his power to take the qualifying examinations for Associate Membership of the Institution of Civil Engineers while serving his articles, as it will be far easier to do so then than later on when he is less master of his time.

After serving his articles the young engineer must choose for himself broadly the line he intends taking up; but he must be prepared, unless very favourably situated, to take what “comes along” rather than to pick and choose.

Municipal Engineering now employs a great number, but, like all professions depending on salaried positions, it is exceedingly crowded, and advancement is slow. In this connection a most useful society is the Association of Municipal and County Engineers, particulars of whose examinations may be had from the Secretary.

Private practice is, however, the aim of most young engineers, but a man must have a certain reputation before he can think of setting up on his own account. For this purpose he should take any public appointments he can obtain, preferably one in which he is allowed private practice.

Mechanical Engineering.—As the Institution of Civil Engineers embraces all branches of Engineering, the student is strongly advised to qualify himself for Associate Membership of it. The usual training consists of a term in “the shops”, but a course of scientific training is also absolutely necessary. Mechanical Engineering is now probably

the most scientific of all the forms of Engineering, the old rule-of-thumb methods being absolutely out of date.

The Institution of Mechanical Engineers, London, comprises Graduates, Associate Members, and Members. Graduates are persons from 18 to 25 years of age who have had a good education, have received or are receiving regular training as Mechanical Engineers, and have had or intend to obtain sufficient scientific training to fit them for responsible positions as Mechanical Engineers. Associate Members are persons upwards of 25 years of age who have received a good general education, have been regularly trained and have had practical experience as Mechanical Engineers, and have had subsequent employment for at least a year in a responsible position in the direction or design of engineering work, and are so engaged at the time of application. Members must be upwards of 30 years of age, and, in addition to the qualifications for Associate Members, must hold a position of independent responsibility.

Electrical Engineering.—As in the case of Mechanical Engineering, the student is advised to qualify for the Institution of Civil Engineers, as well as for the Institution of Electrical Engineers, Victoria Embankment, S.W.

Members must be at least 30 years of age, unless the Council shall be satisfied that there are sufficient reasons for admission at an earlier age, and they must comply with one of the following requirements:—

(a) A Member shall have been educated as an Electrical Engineer or Electrician in a manner which shall satisfy the Council, and either (1) shall have had subsequent employment in the application of electricity for at least five years in situations of superior responsibility, and shall be actually engaged in such a situation at the time of his application for election or transfer, or (2) shall be in practice, and shall have practised on his own account in the profession of an Electrical Engineer or Electrician for at least five years, and shall have acquired sufficient eminence; or

(b) Being, either in a position of superior responsibility, or in practice on his own account, in the profession of an Electrical Engineer or Electrician, he shall have held such responsible position or positions, or shall have so practised on his own account that he has acquired sufficient eminence during a period of seven years; or,

(c) Being an Associate Member, he shall have gained the senior premium in any year for a paper read at an Ordinary General Meeting of the Institution; or,

(d) He shall be so prominently associated with the objects of the Institution, that the Council

consider his admission to Membership would conduce to its interests.

Every Associate Member must be either an Electrical Engineer or an Electrician, at least 25 years of age, and have been educated as an Electrical Engineer or Electrician in a manner which shall satisfy the Council; and either (1) have had subsequent employment for at least two years in a responsible situation as an Electrical Engineer or Electrician, and be actually engaged in such a situation at the time of his application for election or transfer; (2) have been engaged for at least five years in one of the branches of Electrical Engineering, and be actually so engaged at the time of his application, and afford satisfactory proof to the Council of his fitness for election; or (3) being an Associate, have gained a premium in any year for a paper read at an Ordinary General Meeting of the Institution.

Marine Engineering.—A branch of this profession demanding special training is Marine Engineering. Usually a term of apprenticeship in some shipbuilding yard can be obtained without premium. Messrs. Yarrow & Co. of Scotstoun, near Glasgow, were pioneers in the system of apprenticeship for Marine Engineering pupils. There is an Institution of Marine Engineers with offices in Stratford, London, E.; an Institution of Engineers and Shipbuilders in Scotland, at Glasgow. Marine Engineers may also work with a view to the Board of Trade certificates for positions in the Mercantile Marine.

Motor Engineering.—The great development of the motor industry has attracted many from other trades and professions, who have speedily given themselves a practical training; but for those who contemplate this as a career, the essentials can be said to be an early grounding in mathematics, chemistry, steam, and electricity, followed by apprenticeship in motor works, experience in a drawing office, &c. Some acquaintance with foreign languages will also be most useful to anyone, whether in the trade or practising as a professional consultant.

Other societies in connection with the Engineering profession are the Society of Engineers, established in 1854, consisting of Members and Associates; the Junior Institute of Engineers, established 1884; the Civil and Mechanical Engineers' Society, established 1859; the Institution of Sanitary Engineers; the Institution of Gas Engineers; the Agricultural Engineers' Association—all with offices in London; and the Institution of Mining Engineers in Newcastle-on-Tyne; besides the numerous district associations.

The engineering profession is one which has much wider openings abroad, especially in India

or in any country which is being opened up, as, for example, Egypt or China. It is an important factor to be taken into consideration, therefore, by any youth entering this profession, whether he is prepared or anxious on completion of his technical training to go abroad. Openings in the Public Works Department and Telegraph Service in India are no longer confined to the students of Cooper's Hill College, but are available for practical engineers from the technical colleges. But success in the profession does not depend upon going abroad or securing one of the recognized positions at home. The extraordinary advancements in mechanical engineering continue to call for the display of the finest efforts of human intelligence and perseverance, and for men with such qualities the profession can never be overcrowded.

Surveyors, Land, House, and Estate Agents, Auctioneers, and Valuers

These professions, which are closely associated and often pursued in common, have a near relation to businesses of all characters, and have made rapid strides during recent years towards securing a more definite recognition and standing in the professional world.

The profession of the surveyor is described by the Surveyors' Institution, which was established in 1868, and received a Royal Charter in 1881—

"To secure the advancement and facilitate the acquisition of that knowledge which constitutes the profession of a surveyor, namely: the art of determining the value of all descriptions of landed and house property and the various interests therein; the practice of managing and developing estates; and the science of admeasuring and delineating the physical features of the earth, and of measuring and estimating artificers' work".

The Institution has now a membership of over four thousand, consisting of Fellows, Professional Associates, Associates, and Honorary Members, with attached Students. (F.S.I.) The qualification for Fellowship is that the candidate should be 25 years of age, have been in practice or held a responsible post for at least five years, and have passed two examinations, the Intermediate and Final. (P.A.S.I.) The Professional Associate must be at least 21 years of age, be a surveyor in practice on his own account or as an assistant, and must have passed both examinations. The Associate must be at least 21 years of age, not a surveyor, but in a profession such as to qualify him to concur with surveyors in the advancement of professional knowledge.

Students are admitted from eighteen years of

age on passing the Preliminary Examination, or some substituted test. The examinations admit to membership either on the strict surveying side or on those of land agency or valuation. In addition to passing the examinations, practical training comprises a period of articles with a practising surveyor or land agent.

The affairs of the Institution are managed by a Council, and the premises in Great George Street, Westminster, in addition to providing the usual accommodation for members, are often used for arbitrations. It is therefore becoming increasingly necessary for success as a surveyor that the person or firm should be able to add the letters F.S.I. or P.A.S.I.; and the leading members of the Institution are constantly called upon, not only as professional witnesses, but as arbitrators.

Land, House, and Estate Agency is also a profession open to anyone, but here, again, membership of the Surveyors' Institution or the Auctioneers' Institute is necessary to give standing in the profession. House Agents who are not Auctioneers must also take out an annual £2 licence.

Land Agency in a strict sense means the control of large landed estates. To undertake such a charge, an appointment by no means easy to secure, not only membership of the professional Institution, but a course of practical training as pupil to a land agent, preceded now in many cases by a term of years at an Agricultural College, must be taken to be essential. There is a Land Agents' Society.

The term land and estate agent, however, is commonly used by those who are agents for the sale of land of any description, and who may also carry on business as auctioneers, valuers, and house agents.

The Auctioneering profession is open to anyone who takes out an annual licence of £10, which, whenever taken out, expires on the 5th July. The penalty for acting without a licence is £100, or for so holding oneself out as an auctioneer, £20.

Although strictly no other qualification is required, the need for membership of a professional institution cannot be disregarded. This profession has very much improved in status, and the foundation of the Auctioneers' Institute of the United Kingdom (1889) has done much to further its interests. Students are admitted on passing a Preliminary Examination, if serving as articulated pupils in the profession. Associateship (A.A.I.) is gained by passing the Intermediate Examination. Fellowship (F.A.I.) can be obtained in four ways:

(a) By Election—

1. If in practice for five years as an auctioneer.
2. If practising in partnership as an auctioneer, estate agent, or valuer for five years.

(b) By Election and Examination—

1. After passing the ordinary Final Examination, if a duly qualified auctioneer and 23 years of age.

2. After passing the Direct Final Examination, if a duly qualified auctioneer and 25 years of age.

The examinations are by no means a slight test of the candidate's qualifications.

There is also a Society of Auctioneers in London, and a Surveyors and Auctioneers' Clerks' Association.

There is an association in London of Valuers of Licensed Property—a distinct and important branch of this business.

The Estate Agents' Institute is an association of members for practical professional purposes. Membership is by subscription and election.

Anyone exercising the profession of valuer or appraiser (valuator in Scotland), who has not an auctioneer's or house agent's licence, must take out an annual licence of £2.

For the Law relating to Auctioneers see Part III, Chapters II and VI.

Architects

The profession of an architect is an open one, but those eminent in the profession are generally members of the Royal Institute of British Architects. A period of pupilage with an architect is essential for practice in any case. The premium varies with the professional standing. Often the profession of an architect is combined with others, but this is not favoured by the Institute.

To become an Associate of the Royal Institute of British Architects (Conduit Street, London), three examinations are usually necessary: the Preliminary, qualifying as Probationer (which may be excused); the Intermediate, as Student; and the Final, as Associate (A.R.I.B.A.).

Architects are usually remunerated by a percentage on the building outlay. The practice of inviting competition for designs of public buildings has often afforded the opportunity of rapid advance in the profession.

The Institution of Naval Architects is in London, at 5 Adelphi Terrace, W.C.

Analytical Chemists and Others

Under this heading are included metallurgical and other chemists trained in applied chemistry, as well as those who devote themselves to the analysis of water, food, and drugs. Those who intend to adopt any of these pursuits generally seek to become Associates or Fellows of the Insti-

tute of Chemistry of Great Britain and Ireland, which was founded to promote a better education, to examine candidates, and elevate the profession. There are now three examinations: Preliminary, Intermediate, and Final. Associates who have been registered for three years may be elected Fellows. The Science Degree of a university is an advantage.

There are also the Society of Public Analysts, the Institute of Mining and Metallurgy, the Institute of Brewing, and the Faraday Society. Other chemical societies are the Chemical Society (Burlington House, London) and the Society of Chemical Industry (Westminster).

Numerous public positions under the Admiralty, the Home Office, the Board of Agriculture, the Local Government Board, and local and other government bodies at home and abroad are now open to analytical chemists possessing good qualifications. In the service of municipalities and local government authorities of every description there is an extending sphere for well-qualified men, although competition is severe and the salaries are rarely very high.

Sanitary Inspectors have also come to be recognized as a class demanding special training, and examinations and certificates under the Royal Sanitary Institute are necessary.

We have glanced elsewhere at the municipal engineer and surveyor.

There is—it almost goes without saying—a much better opening abroad in the case of many of these professional appointments.

Other professions which are open, and must always remain open, have, nevertheless, their associations for the furtherance of a common interest, and to a certain extent their schools at which training is provided which may improve the chances of success in them, although it can never do more. The Institute of Journalists, for example, helps to draw together the scattered members of that wide profession, and also aspires to a School of Journalism. The Society of Authors in much the same way aims at safeguarding the interests of another class of writers and assisting the individual in difficulty. Speaking generally, there is in these days hardly a profession which has not its association for improving its status and assisting its members. To belong to this association, although by no means necessary, is not only a duty but an advantage; but neither of these facts, perhaps, is appreciated to the extent that may be expected one day to be the rule. Organization is as much the spirit of the times in this respect as it is in the management of the individual business house.

BUSINESSES REQUIRING A LICENCE

There are a great many trades and some professions which must not be carried on or practised without an annual excise licence or certificate being taken out. Anyone who neglects to obtain the necessary licence is liable to be prosecuted, fined, and imprisoned. Manufacturers of certain articles, *e.g.* snuff and tobacco, also pay duty on the amount manufactured.

In several instances those who commence to trade in the 2nd, 3rd, or 4th quarter of the year are entitled to take out licences for the remaining months at three-quarters, a half, or a quarter of the full cost respectively. Retailers of intoxicating liquors are allowed a reduction of one-seventh if they close on Sundays, and of another seventh if on weekdays they close an hour earlier than is legally necessary.

The necessity for an annual certificate, as we have seen in the case of solicitors and notaries, writers to the signet and law agents, arises more from the regulation of the profession than the claims of revenue. Licence duties are also imposed for the purpose of regulating a trade as well as for the production of revenue; and in all cases where they are imposed they have the effect of securing a certain discipline and conferring a quasi-monopoly. The 5s. police duty imposed upon pedlars is wholly regulative; the licence duty of £2 upon hawkers partakes of both characteristics.

Annual licences must under the existing laws be taken out by auctioneers, house agents, appraisers, pawnbrokers, and bankers issuing notes, and by manufacturers of glucose, saccharin, and invert sugar, patent medicines, methylated spirits, vinegar, snuff and tobacco, motor spirit, and playing cards; and by dealers in most of these articles, refreshment-house keepers, plate and game dealers, &c. The amount of duty may vary from year to year, and new duties may appear or the old be relinquished.

By far the most important of these duties are those imposed upon intoxicating liquors, according as to whether they are manufactured, dealt in wholesale, or retailed for consumption, on or off the premises. These licences, as far as retailers are concerned, are peculiar also in that they are not freely granted to all applicants, but must be taken out by those to whom have been granted licences to trade by the local licensing authority. (For particulars of the various duties in force, see part III, Chapter XXVIII.)

Enough has now been said as to the trades and professions which are required to take out an annual excise licence.

Retailing Intoxicants

The various excise liquor licences have already been enumerated. These excise licences can, as a matter of course, be granted for passenger vessels, naval and military canteens, and theatre bars. In almost all other cases the applicant must first have obtained from the licensing justices an annual licence or permission to carry on the class of trade for which the excise licence is sought.

The law regulating the sale by retail of intoxicants is contained in a number of statutes, and is to an extraordinary degree complicated, diverse, and lacking in principle or unity. The whole subject appears to need revision and codification. The earliest statute was passed in 1552, and declared that no one was to keep an alehouse unless he had obtained a licence to do so granted by the Sessions or two Justices. Fines and penalties were provided for those carrying on this trade without such licence. In 1553 the sale of wine was subjected to the same restrictions, and spirits were also dealt with in a similar fashion in 1701. In 1729 these licences were made annual, and were only to be granted at the general annual licensing meeting of the Justices. In 1828 it was enacted that if anyone who had formerly held a licence was refused a renewal, he might appeal to Quarter Sessions. In 1830 what is known as the "Free Trade in Beer" Act was passed, which enabled any householder to take out an excise licence and to sell beer. So many abuses and disorders arose from this system, that in 1869 it was once more made essential for all applicants to have obtained a licence from the magistrates before an excise licence could be granted. Since that date a plethora of Acts have been passed, and it will be sufficient to state the law as it now stands.

Licences for the sale of intoxicants may be placed into two general classes—on-licences and off-licences. Off-licences (sometimes known as grocers' licences) are for the retailing of intoxicants which must not be consumed upon the premises. On-licences are for the retailing of intoxicants which may be consumed upon the premises.

1. *Off-Licences.*—The applicant for an off-licence must advertise his intention of applying for such licence in a local paper between a fortnight and a month before the annual general licensing meeting. Anyone is entitled to urge objections against its grant, and the magistrates have an absolute discretion as to whether or no they will assent to or refuse the application.

They will be guided in the course they adopt by such considerations as the needs of the neighbourhood, the fitness of the premises for which the licence is sought, and the character of the applicant. No licence can be granted to anyone who has been convicted of a felony or of selling intoxicants without a licence.

A renewal of an off-licence for the sale of wine, spirits, liqueurs, British wines, or cider can only be refused by the magistrates on certain definite grounds, as to the unsuitability of the premises or of the applicant, if the licence has been successively granted since some time before June 25, 1902. If the licence has not been so successively granted, the magistrates have the same power as they possess over off-licences for the sale of beer, i.e. they may refuse to renew upon other grounds. In case of a refusal, the grounds for so doing must be specified in writing and given to the applicant, who can then appeal from this decision to Quarter Sessions. The general annual licensing meeting is held during the first fortnight in February, and adjournments must be held within a month. Generally no objection to the renewal of a licence will be entertained unless written notice of opposition, with a statement of the grounds of objection, has been served on the holder at least seven days before the annual general licensing meeting. The magistrates may, however, adjourn the grant of the licence to some later date and require the holder to be present, and then consider any objection which has been raised, despite the omission of the usual formalities.

2. *On-Licences.*—When an application is made for the grant of a new on-licence, the applicant must submit and hand to the clerk of the licensing justices, at least twenty-one days before the annual general licensing meeting, a plan of the premises for which the licence is sought. The magistrates may refuse the application in the same way as if the grant of an off-licence were in question.

If the magistrates grant the application for a new on-licence, they may attach conditions as to the arrangement and the methods of conducting the premises. This power they also possess, but less frequently employ, in granting new off-licences. In granting new on-licences (save those for the sale of British or foreign wines only) they may also demand monetary payments so as to secure for the public the "monopoly value" of the licence. Monopoly value is the value of the peculiar advantage afforded to licensed retailers of intoxicants by the general restraint on free competition. It is measured by the difference between the value of the premises with and without such a licence. Another anomaly has been introduced by the Licensing Act, 1904. The magis-

trates may grant an on-licence (save for wine only) for any term not exceeding seven years.

Renewing On-Licences.—On the determination of an on-licence granted for a term of years, the application is treated as if it were for a new on-licence, and the magistrates may refuse the application just as in the case of a new off-licence. On an application to renew on-licences granted since the passing of the Licensing Act, 1904, the magistrates are in the same position as in dealing with renewals of ordinary off-licences. They may refuse on any ground, but they must furnish the holder with a statement of their reasons, and an appeal lies to Quarter Sessions.

With the partial exception of on-licences for the sale of beer, wine, and cider, first granted before the passing of the Beerhouse Act of 1869, on application to renew an on-licence first granted before 1904, the magistrates' power is limited in the following manner: They may refuse to renew the licence if the premises are ill-conducted, or are structurally deficient or unsuitable, or if the character of the applicant is unsatisfactory, or if the licence would be void if granted—for example, if the applicant has been convicted of felony. If they consider that on any other ground, as, for instance, that there are too many public-houses in the locality, the licence should not be renewed, they cannot refuse the application, but may refer it to Quarter Sessions. At Quarter Sessions the renewal of the licence can be refused on the payment of compensation. The amount of compensation to be paid is the difference between the value of the premises with and without a licence. If the amount of compensation is not agreed upon between the parties interested in the premises for which the renewal of the licence is sought and the magistrates of Quarter Sessions, then the Commissioners of Inland Revenue assess the amount on the same basis of valuation as is employed in valuing for the purpose of estate duty. The sum awarded as compensation is divided among the various parties interested in the premises in shares determined by Quarter Sessions. The money required for compensating those interested in premises for which the licence is not renewed is raised by a levy made by Quarter Sessions on all on-licences renewed within their area. The rate is not to exceed that specified in the first Schedule of the Licensing Act, 1904, and licence holders with less than sixty years unexpired of their tenancy, may deduct a part of this charge from their rent, according to the number of years still unexpired.

By an Act of 1869 beer, wine, and cider licences first granted before that Act was passed were only to be refused on one of four grounds.

These grounds are but slightly different from the grounds on which ordinary on-licences first granted before 1904 may now be refused at the annual general licensing meeting. By the Licensing Act of 1904 it is provided that if the renewal of any such licence is undesirable on any other ground than those provided in the Act of 1869, Quarter Sessions may, on a reference to them from the annual general licensing meeting, refuse to renew such licences on the payment of compensation. Such compensation is higher than in the case of similar houses first licensed since 1869, because of the greater security of tenure old beer-houses possessed.

On any application to renew a licence, the licensing justices may stipulate for the carrying out of certain alterations in the premises. From these stipulations there is an appeal to Quarter Sessions. No fresh alterations can be demanded by the licensing justices for at least five years after these alterations have been carried out.

Clubs require registration under the Licensing Act, 1902. (See Part III, Chapter V.)

Scotland.—The Licensing Law of Scotland and Ireland differs in some respects from that of England. In Scotland, happily, the Law has been consolidated by the Licensing (Scotland) Act of 1903. Every year, in April and October, General Half-yearly Meetings of the Licensing Courts are held throughout Scotland for the purpose of granting Publicans' Certificates. In the Counties of the Cities of Edinburgh, Glasgow, Aberdeen, and Dundee, and in the other Burghs, with the exception of Burghs with a population of less than 4000, the Licensing Court consists of the Magistrates of the City or Burgh. In Counties, or Licensing Districts of Counties, one-half of the Members of the Licensing Court are elected by the Justices of the Peace for the County from their own number, and the other half by the County Council from their own number. Where Burghs with a population under 4000 form part of a County or Licensing District, the Licensing Court for the County or District is modified by the addition to it of Magistrates of the Burghs included in the County.

Renewals are granted on much the same terms as in England, but a new Certificate must be confirmed by the Court of Appeal. The Court of Appeal, or Confirmation Court as it is often called, in the Counties of the Cities of Aberdeen, Dundee, Glasgow, and Edinburgh, consists of the Members of the Licensing Court and an equal number of Justices of the Peace for the County of the City. In the other Burghs containing a population not less than 20,000, the Appeal Court consists of the Members of the Licensing Court and an equal

number of Justices of the Peace for the County. Only Burghs with a population of 20,000 or more have separate Appeal Courts. All Burghs with a population under 7000 are merged into the County for Appeal purposes. Burghs with a population of over 7000 and under 20,000 have a joint Appeal Court constituted in terms of the Act. In Counties, the Appeal Court is composed of County Councillors and Justices of the Peace in equal proportions. The procedure as to objections to the grant for renewal and appeal from that decision is provided by the Act. Licences may be granted for six days only, or under early-closing conditions. The production of the certificate of justices is required before any excise licence is issued by the Inland Revenue Commissioners for the sale of intoxicants, but in respect of every licence less than one for seven days, or for full hours, the Commissioners will allow a remission in the amount of the duty. The Act also provides for offences and penalties, both by the licence holder and the public, in connection with licensed premises and other legal proceedings in connection therewith, and for the registration of Clubs.

Ireland.—The licensing system of Ireland approximates to, but is in many details different from, that of England and Wales. The provisions of the Wine and Beerhouse Acts, 1869 and 1870, and of the Licensing Acts, 1902 and 1904, have no application in Ireland. The same is also the case with regard to many other statutes of less importance, but the general system bears so close a resemblance as to call for no detailed treatment.

Offensive Trades

There are also some trades which, in the interests of public health or convenience, are in the peculiar position of requiring a licence in the sense of a permit to carry them on. There is a natural tendency for such restrictions to be extended. A trade may, however, be offensive, such as a fried-fish shop or a brickyard, without coming within the acts; but a trader duly licensed may be penalized for not taking proper sanitary precautions, and creating unnecessary discomfort. Of these trades some account is necessary.

1. The laws relating to Public Health provide that, in any urban district outside London, no one may establish a new business as a blood boiler, bone boiler, soap boiler, tripe boiler, tallow melter, fellmonger, or any other noxious or offensive trade or manufacture without first obtaining the written consent of the sanitary authority of such urban district. This consent is no defence to an action for nuisance, or summary proceedings for negli-

gent conduct, if such trade is carried on in such a way as to be seriously detrimental to the health or comfort of residents in the neighbourhood. (See Part III, Chapter XXIV.) The effect of this consent is merely to permit such trade to be carried on at all, and leaves the trader in just the same position as if he had established his works in a rural district.

2. In London, the provisions are more stringent. No new business may, under any circumstances, be started there by a blood, soap, or bone boiler, manure manufacturer, tallow melter, or knacker. No one may commence to trade as a fellmonger, tripe boiler, slaughterer of cattle or horses, nor in any other trade or business whatever which is declared by the London County Council to be offensive, unless he has obtained the consent of the Council. This consent, if granted, has merely the same effect as the consent of the sanitary authority with regard to offensive trades in urban districts.

3. Alkali works and other manufactures in which dangerous acid gases, such as muriatic gas, are produced are subject to various restrictions. No new alkali, sulphuric acid, chemical manure, gas liquor, nitric acid, sulphate or muriate of ammonia, or chlorine works may be carried on unless registered and unless an annual certificate is obtained from the Local Government Board. A certificate costs £5 in the case of alkali works; in the case of the other works, £3. The various processes in which the gases are engendered must be carried on so as to prevent escapes, and the gases must be condensed to the satisfaction of the chief inspector. Inspection of the works must be permitted to any inspector, and facilities afforded him to inspect, examine, and test. An annual report is made by the chief inspector to the Local Government Board upon the inspections of such works and upon recorded escapes of acid gases. Any sanitary authority may complain to the Local Government Board when the works are so conducted as to be a nuisance. If the owners of such works do not carry them on carefully and scientifically they will not be granted a fresh licence, and may render themselves liable to fines and to actions for nuisance. Upon all the above-mentioned offensive trades and others which, if not in themselves necessarily offensive, yet become so if not properly carried on, further general information will be found in Part III, Chapter XXIV.

Pawnbrokers

If anyone desires to commence business as a pawnbroker, he must first obtain a certificate from the magistrates for the district in which he intends to carry on his business. No certificate will

be granted unless the applicant has complied with various regulations as to giving notices, and has furnished satisfactory evidence of good character. The certificate will also be refused if the shop in which the applicant intends to carry on his business, or if any adjacent premises owned or occupied by him, are frequented by thieves or other bad characters.

A pawnbroker must exhibit over his door his full name and the word "Pawnbroker". He must also exhibit in a conspicuous place in his shop a table of his rates of charge. These must not exceed the charges laid down in the fourth schedule of the Pawnbrokers Act, 1872. A pawnbroker must keep certain books and documents prescribed in the same Act, and must record the details of his transactions in such books.

Pledges for not more than ten shillings may be redeemed within twelve months plus seven days, after which time the goods become the absolute property of the pawnbroker. Pledges above this value are redeemable within the same period, but do not, upon the expiration of this time, become the absolute property of the pawnbroker. They must be sold by public auction, and any surplus beyond the amount of the loan and the pawnbrokers' proper charges and profits may be claimed back by the pawner of the goods within three years. In the case of pledges for more than forty shillings, special contracts may be made. Pledges of a greater value than £10 are not subject to any of the above regulations, and a person who only deals with pledges for more than this amount is not, in the eye of the law, a pawnbroker at all. If a pawnbroker is convicted of receiving stolen goods, his certificate will be forfeited. (See also Part III, Chapter XII.)

Inebriates' Homes

No one may keep a home for inebriates—a place where habitual drunkards are controlled and subjected to curative treatment—without obtaining from the local authority a licence for a period which may not exceed thirteen months. A duly qualified medical man must be employed at such home, and it must be open to the inspection of government officials. Licences are renewed from time to time if the home is well conducted. A notice of reception must be sent to the clerk of the local authority and to the Secretary of State within two days of receiving a patient.

Private Lunatic Asylums

Licences for the reception of lunatics in private homes are now restricted to those already granted

and to the number of lunatics authorized. Existing licences can, however, be transferred to new premises if the house formerly licensed has been satisfactorily conducted.

✓ Licences must be obtained from the justices of the county or borough, or from the commissioners in lunacy in the district of London and the adjoining counties. These licences must be carried on in strict accordance with regulations prescribed by the commissioners in lunacy with the sanction of a Secretary of State. Proper medical supervision is essential, and any ill treatment of patients is rigorously punished.

Baby Farming

Any person, other than a near relative, who is paid to rear and maintain children under seven years of age apart from their parents must comply with various regulations. Such person must give to the local authority of the district in which he or she is residing, within forty-eight hours, a written notice stating the name, sex, date, and place of birth of every infant received, the name and address of himself or herself, and also of the person from whom the child has been received.

All changes of address, and the death or removal of the infant, must also be notified to the local authority within forty-eight hours.

Inspectors and infant-protection visitors appointed by the local authority are to be allowed to visit and examine the infants, while the number of such infants which may be kept in any one house is fixed by the local authority.

No person who has been convicted of cruelty to children, or from whose premises any child has been removed, either on account of the treatment it has received or of the unsuitable, unsafe, or insanitary condition of the premises, may for the future keep an infant for hire without first obtaining the written permission of the local authority. If children are improperly looked after and tended, or if the premises are at any time unsafe, insanitary, or overcrowded, the infant is to be removed from such custody and from such premises. Recognized institutions for children and boarding schools are exempted from these provisions.

Pedlars and Hawkers

Pedlars are persons who travel from place to place on foot without a beast of burden, selling wares other than fruit, vegetables, fish, or coal. Pedlars must prove to the satisfaction of the chief of the police for the district in which they have lived for the month preceding their application that they are of good character, are over seventeen

years of age, and *bona fide* intend to pursue this trade or calling. If the chief of the police is satisfied upon these points, he will grant a pedlar's certificate for five shillings; from a refusal there is an appeal to the justices. Penalties are also provided for lending or borrowing these certificates. Hawkers are pedlars who travel about with a beast of burden. The necessary annual excise licence which all hawkers must take out is only granted to those who have previously held them, or to a person who can produce a certificate of good conduct signed by a minister of the parish in which the applicant has been residing, and by two householders of that parish, or by a justice of the peace for the county or place, or by a superintendent or an inspector of police for that district. For acting as a hawker without first obtaining the necessary licence, a penalty of £10 may be imposed by a court of summary jurisdiction.

A servant of a licensed hawker may use his master's licence to trade for his master. On all vehicles, packages, stalls, and advertisements used in his trade by any hawker the words "licensed hawker" must be legibly inscribed. No hawker may carry about with him more than 20 gal. of petroleum in any vehicle, and to carry petroleum at all he must take out a special licence. (See "Petroleum" *infra*.) It will be understood that commercial travellers, and salesmen at recognized fairs and markets, are not regarded as pedlars or hawkers.

Hackney Carriages, &c.

A hackney carriage may be defined as any wheeled vehicle, save a tramcar or stage coach, which plies for hire, in a street. The licensing of such carriages and buses is controlled within the metropolitan police district by the Commissioner of Police, in boroughs and urban districts outside that area by the local council, and in rural districts similar powers may be granted by the Local Government Board to the rural district councils on application. (See art. "Motor Cars", &c., Part III, Chapter XXIII.)

These authorities make by-laws and regulations upon innumerable points connected with hackney-carriage traffic, and in particular determine what fares for time or for distance may be charged within their area, and the number of passengers the vehicle may carry. All hackney carriages and their drivers must be licensed each year. If the driver's character or capacity is unsatisfactory, or if the vehicle is faulty or in any way fails to give satisfaction, the licence may be refused. The driver must wear a numbered ticket, and carry about and produce on demand a table of the fares

he may legally charge. He must not without reasonable excuse refuse to carry any person or persons unless in excess of the number he is licensed to carry, if his legal fare is offered to him and the time or distance for which the would-be passengers seek to hire him is within certain limits fixed by by-law or regulation. The carriage must bear a numbered plate showing that it is duly licensed, and must carry proper lights at night.

Similar provisions are in force with regard to horses, donkeys, and other animals plying for hire in the streets. The proprietors and drivers of such animals must also be licensed, and are subject to by-laws and regulations.

Regulations can also be made by local authori-

ties and licences issued in connection with pleasure boats, bathing, &c. The District or Town Councils are the authorities for the registration of canal boats, licensing agricultural gangmasters, passage brokers, &c., and outside London for the issue of licences to dealers in game. A game-dealer's licence may be issued to a householder or keeper of a shop or stall within the district, not being an innkeeper, licensed victualler, owner or driver of a public conveyance, &c., and being a suitable person. A notice must be put up on the premises, "Licensed to Deal in Game". A dealer must not buy game except from other licensed dealers or persons with a game licence.

RESTRAINT ON CERTAIN TRADES

Foodstuffs and Drugs

Any person who keeps or exposes for sale any meat or other article of food which is diseased, unsound, or in other ways unfit for human consumption may be prosecuted. The unsound goods may be destroyed and a heavy fine imposed, or the offender may be sent to prison. Inspectors of nuisances and medical officers of health may inspect any article of food kept or exposed for sale, and if in their opinion such article is unfit for human consumption, they may confiscate it. Any attempt to prevent such inspection is punishable.

In the interests of public health, severe penalties are provided for any person who mixes injurious ingredients with any drug or article of food intended for sale, who by any admixtures deprecates the quality or potency of any drug, or who knowingly sells any article of food or any drug which has been adulterated.

To prevent fraud upon purchasers, it is enacted that no one may sell without disclosure any foodstuff from which any part has been abstracted, so as to injure its quality, substance, or nature. Nor may anyone abstract any part of any foodstuff, intending the article to be sold without such disclosure being made. "Food" is "any article which ordinarily enters into or is used in the composition or preparation of human food and flavouring matters and condiments".

No person may sell to the detriment of the purchaser any foodstuff or drug which is of a different substance, nature, or quality to the article demanded by the purchaser. If the article is compounded, it must be composed of proper ingredients, in accordance with the purchaser's demand. It is a good defence to show that the food or drug was unavoidably mixed with some extraneous

matter in the process of collection or preparation, or that the seller had bought the article as of the nature, substance, and quality demanded by the purchaser, and with a written warranty to that effect from some resident in the United Kingdom, and that when he sold the article he had no reason to believe it was not of the required nature, substance, and quality. If the article was purchased from some person not resident in the United Kingdom, not only a written warranty is required, but it must also be proved that the seller had taken reasonable steps to ascertain, and that he did actually believe in, the accuracy of the statements contained in the warranty. There is a saving for commercial preparations without injurious ingredients, sold *bona fide*, and for proprietary articles and patent medicines. It is also a good defence to prove that a legibly written or printed label or notice was given to the purchaser when the article in question was delivered, stating that the article was adulterated. This last defence does not, however, avail in the case of any ingredient injurious to health, or fraudulently intended to increase the bulk, weight, or measure, or to conceal the inferior quality of the goods.

The Sale of Food and Drugs Acts provide that inspectors of nuisances, medical officers of health, or policemen instructed by a local authority may purchase samples of foodstuffs and drugs, which sellers must not refuse to sell to them, and may submit the samples to a public analyst. In regard to food, the same powers are given to officials of the Local Government Board, and also, in all cases of agricultural produce, to officials of the Board of Agriculture. A prosecution may follow.

There are many special regulations relating to

particular foodstuffs. The more important of these may now be briefly reviewed.

1. *Bread*.—Ordinary bread, but not French or fancy bread or rolls, must be sold by weight. The bread may be of any size or weight the baker chooses, and it need not be weighed at the time of the sale unless the purchaser so requests; but it must be weighed at some time by the baker, and must not weigh less than its declared weight. It is an offence to refuse to weigh a loaf if a purchaser demands that it should be weighed. Proper weights and measures must be kept on or near the counter of any shop where bread is sold, and must be carried in every baker's cart.

Bread may be made of nothing else than flour of barley, wheat, rye, oats, buckwheat, Indian corn, peas, beans, rice or potatoes mixed with salt, water, milk, eggs, barm, leaven, potato, or other yeast. If bread is made or kept for sale or sold which is comprised of any other ingredients, or if any ingredients for the adulteration of bread are found on the premises of any miller, mealman, or baker, the offender may be prosecuted.

All loaves made of any sort of corn or grain other than wheat must be marked with a large Roman M, under penalty of a fine for every pound of such bread found on the premises. The magistrates may grant a search warrant for a baker's premises to find whether any adulterated or unmarked bread or any improper ingredients are kept there. It is an offence to obstruct such search.

2. *Milk*.—Cowkeepers, dairymen, and dealers in milk must be registered by the sanitary authority of their district, and must comply with regulations made by such authority, by the Board of Agriculture or the Local Government Board.

Regulations in force throughout the country deal with the inspection of cattle, the lighting, cleaning, draining, and ventilating of and supplying pure water to cowsheds and dairies, the conduct and sanitary conditions of milk shops and stores, the cleanliness of vessels in which milk is kept, and the precautions to be taken to prevent pollution of milk. If a medical officer of health is of opinion after making an inspection that an outbreak of infectious disease originated in any dairy, the dairyman may be forbidden to supply milk until he has satisfied the local authority that he has done away with the cause of infection.

Milk must be pure and with all its cream. If a sample prove on analysis to contain less than 3 per cent of milk fat and 8·5 per cent of other milk solids, it is to be regarded as being not genuine milk unless the contrary is proved. Any person who sells or whose servants sell milk or cream in any highway or place of public resort must have his name and address conspicuously inscribed on

any vehicle or vessel from which the milk or cream is sold. It is not an offence to sell condensed, separated, or skimmed milk as such, but these articles must not be sold without clearly declaring their nature. Neither these nor any other kind of adulterated or impoverished milk may be imported save in packages or cans with labels distinctly and conspicuously calling attention to the nature of the contents; and all vessels containing skimmed or separated milk must bear a label clearly visible to the purchaser, with the words "Machine-skimmed milk", or "Skimmed milk", printed in large type.

3. *Butter and Margarine*.—Butter must be made exclusively of milk or cream, or both, with or without allowable preservatives and colouring matter. Until the contrary is proved, butter containing over 16 per cent of water is not to be deemed genuine, and must not be imported or kept or made in a butter factory. All butter factories, or places where butter is blended or reworked without ceasing to be butter, are to be registered with the local authority, and open to the inspection of officials of the local authority or of the Board of Agriculture, and no adulterants are to be kept on the premises.

Margarine is any article of food, whether mixed with butter or not, which resembles butter and is not butter or milk-blended butter. Milk-blended butter containing over 24 per cent of water, or margarine with over 16 per cent of water, must not be imported or kept or made in places where milk-blended butter is made or sold wholesale, or where margarine is manufactured. All such premises must be registered with the local authority, and be open to the inspection of officials of such authority or of the Board of Agriculture. All packages, wrappers, and advertisements of those substances must be labelled with their proper names, and no other title must be added unless permission has been granted by the Board of Agriculture.

4. *Tea and Coffee* are also subject to enactments which forbid adulteration with foreign matter unless the nature of the mixture is made clear to the purchaser. No mixture may be imported save in packages on which the nature of the contents is clearly indicated.

5. *Horseflesh* and the flesh of asses and mules must not be sold for human consumption save in shops or other places over or upon which there shall at all times be painted, inscribed, or placed in legible characters at least four inches long, and in a conspicuous position, words indicating that horseflesh is sold there. Horseflesh exposed for sale in other shops or places may be seized, and the offender prosecuted.

6. *Hops*.—All bags containing hops must be marked with the name of the place where they were grown, the year of the crop, and the weight of the

bagful. The bag itself must not weigh more than 10 lb. for every cwt. of hops it contains.

Foreign hops must not be put in British bags. It is a criminal offence to sell hops in bags which are not properly marked, and a search warrant for any such bags may be issued by the magistrates.

Explosives

Under this heading are included gunpowder, blasting powders, nitroglycerine, acetylene, and other substances which produce violent explosions. The more dangerous of these, such as gun-cotton, cannot be imported without a licence being obtained from a Secretary of State, and to deliver or receive such substances without a licence is a serious offence. It is unnecessary to deal with each separate explosive and to detail the various Orders in Council relating to it. The great bulk of explosives are under restrictions very similar to those relating to gunpowder, and it will be sufficient to deal with this one explosive.

Gunpowder may only be manufactured in a factory licensed for that purpose. To obtain the requisite licence, an application must be made to a Secretary of State, and plans of the proposed factory and details as to a number of other matters must be submitted, together with a draft licence. If the Secretary of State assents to this draft licence, it must be shown to the local authority for the district in which such factory is to be erected, and the consent of the local authority must be sought. If this consent is refused, or only offered on terms to which the applicant is unwilling to assent, the Secretary of State will hear both sides and will determine whether the licence shall or shall not be granted, and, if so, on what terms and conditions. These terms and conditions must be strictly adhered to, or severe penalties and the forfeiture of the licence may be incurred. Special regulations must also be observed by all workers in such a factory.

Premises on which gunpowder is stored, and shops in which it is retailed, must respectively be licensed and registered by the local authority of the district, and must be conducted in accordance with special regulations. No gunpowder may be sold to children under thirteen years of age, nor exposed for sale in any public place, save in closed and labelled packages. When gunpowder is to be transmitted, it must be packed in the manner provided by the Explosives Act, 1875, and labelled "Gunpowder". No gunpowder or other explosive may be dispatched by post, nor must it be entrusted to carriers for conveyance without the nature of the package being brought to their notice. Private individuals may not keep more than thirty pounds

of gunpowder for their own use, under a penalty of two shillings a pound and the forfeiture of the powder.

Petroleum

Under this heading are included most highly inflammable oils, such as naphtha and rock oil. The master of a ship containing such substances must, on entering any harbour, notify the harbour authority of the nature of his cargo. Every harbour authority must have by-laws, approved by the Board of Trade, regulating the mooring stations, landing-places, and the times and the manner of landing and disembarkation for ships, thus freighted.

Petroleum may be kept up to an amount not exceeding three gallons in bottles which must not hold more than a pint. If kept in excess of these quantities, a licence must be obtained from the local authority. If the local authority refuse to grant a licence, an application may be made to a Secretary of State, or, in Ireland, to the Lord Lieutenant. The penalty for storing petroleum in excess of the allowed quantity and without a licence is the forfeiture of the goods and £20 a day for each day it can be shown to have been so kept.

Local authorities may test any store of petroleum by apparatus verified and marked by the Board of Trade.

To place these substances on board ship without disclosing their nature is criminal, while to keep large quantities in a populous neighbourhood or near a public thoroughfare has been held to be indictable as a public nuisance. When petroleum or any other such inflammable substance is exposed for sale, or is sold, stored, or conveyed about, it must be contained in vessels stating the nature of the contents, and labelled "highly inflammable". Orders in Council can be made from time to time, declaring new substances to be subject to the same regulations and restrictions as petroleum.

Firearms

No one must expose for sale or export gun barrels which have not been marked and tested at a government proofhouse, nor must any person forge or stamp similar marks. Gun barrels for His Majesty's forces need not be tested and marked, but discarded service rifles must be submitted to the proofhouse before they can be sold. No firearm with a barrel of less than nine inches long (save curios and antiques) may be sold to anyone who is insane, intoxicated, or under 18 years of age. No person may buy such a weapon unless he produces a gun or game licence, or shows that as a householder he means to keep it for use in

his own house, or proves that he is going abroad for a period of at least six months. Anyone who sells or lets out for hire such weapons must record in a book a description of the firearm, the date of the transaction, the name and address of the buyer or hirer of the weapon, and the circumstances entitling him to obtain it.

Anchors and Chain Cables

Every manufacturer of anchors must, under a penalty of five pounds, mark on every anchor he makes his name or initials, a progressive number, and the weight of the anchor. It is a misdemeanour for any person to sell or to purchase for a British ship a chain cable or an anchor weighing more than one hundred and sixty-eight pounds, unless such article has been properly tested; and in any contract for the sale of chain cables or anchors, the seller is taken to warrant that such test has been undergone. The tests are made by those who are specially licensed by the Board of Trade. The anchors and chain cables must be tested in the order in which they have been brought to the testing establishment, unless an agreement is made to the contrary. If the tests are satisfactorily undergone in the manner prescribed, the articles are stamped with the distinctive mark of the testing establishment. These distinctive marks are appointed by the Board of Trade, and must not be forged nor put upon untested or unsatisfactory anchors or cables. The charges for testing must not exceed the scale of maximum charges prescribed in the above-mentioned Act.

Plate

Gold articles may be of 9, 12, 15, 18, or 22 carat standard. The standard may be altered by Order in Council provided that no gold be permitted to be less than 8 carat. Silver articles may be of 11 oz. 10 dwt. or of 11 oz. 2 dwt. of silver to the pound (Troy weight) standard. All gold and silver articles made in the United Kingdom, with the exception of certain small articles, must be marked with the initials of the maker, the assay mark of the office where they were tested, and with a letter to signify the year in which they were made.

Gold articles of 18 or 22 carats are marked with a crown and "18" or "22" respectively, silver articles of 11 oz. 10 dwt. to the pound with a Britannia, of 11 oz. 2 dwt. with a lion.

Imported gold and silver articles, save inlaid, hand-chased, bronzed, or filigree work of Oriental design, must be assayed at some assay office selected by the importer. They must also be of some recognized standard. Imported gold and silver

articles are specially stamped to indicate their origin. Everyone who sends gold or silver articles to an assay office must state truly their place of origin. If no such statement is made, or their source is unknown, they are stamped as foreign.

Licences are required for trading in, selling, taking in pawn, or refining gold or silver.

Poisons

No one but a pharmaceutical chemist or a chemist and druggist may sell poisons. All poisons must be clearly labelled with the name of the poison, the word "poison", and the name and address of the seller.

Poisons are divided into two classes, according to their position in the schedule of poisons to the Pharmacy Act, 1868. The more deadly are contained in the first part of the schedule. The Pharmaceutical Society may, with the approval of the Privy Council, add substances to the categories of poisons in either part of the schedule.

All poisons contained in the first part of the schedule, such as prussic acid and arsenic, may not be sold to a minor or to any person who is unknown to the seller, unless such person is introduced to him by someone who knows both the seller and the purchaser, and all particulars of these transactions are to be fully entered in a book.

Arsenic and other colourless poisons must be coloured with soot or indigo before sale, unless they are used in accordance with the prescription of a medical man, or are for agricultural or other purposes, for which such colouring would destroy their potency.

Manufacture of Cutlery

The manufacture of articles made of wrought steel and iron and steel, such as knives, razors, scissors, and cutlery generally, edged tools and hardware, is regulated by several statutes from 1623. The buyer is protected by the fact that manufacturers of cast articles are prohibited from using the mark, the figure of a hammer, which is restricted to the manufacturers of the wrought article. For false marking, or having falsely marked articles in one's possession for sale, or for marking a false quality or with a mis-description, penalties are provided.

Members of the Cutlers' Company of Sheffield, properly styled "the Master, Wardens, Searchers, Assistants, and Commonalty of Cutlers in Hallamshire in the County of York", obtained the exclusive right to use the special mark on their manufactures. The Company was incorporated in 1623, but the privileges were much older than

that. The Cutlers' Company is composed only of those who carry on the trades of makers of knives, sickles, shears, scissors, razors, files, forks, &c., within six miles of Hallamshire. The freedom of the Company may be obtained on the condition of seven years' apprenticeship by anyone who carries on this business within six miles of Hallamshire.

Any other person within this locality who carries on the above trades, or manufactures steel and iron-edged tools, and other articles of steel or steel and iron combined, with a cutting edge, may, on payment of certain fees, demand admission to the Company and the assignment of a mark. By the Trade Marks Act of 1905 the Cutlers' Company must keep the Sheffield Register of all trade marks on metal goods belonging to persons within Hallamshire and six miles round. (See also Part III, Chapter XIV.)

Livery Stable Keepers

Livery Stable Keepers are those who keep horses for hire and provide stabling accommodation. Livery Stable Keepers and horse dealers are exempted by the Revenue Act, 1869, from the ordinary excise licences, if they comply with certain regulations. The exemption must be claimed by an entry in writing, signed and delivered to the local Inland Revenue Officer, with the description of the premises. The full name and business must be painted up on the premises, and the Inland Revenue Officer must be freely allowed to inspect. The Livery Stable Keeper must enter in a book the account of every carriage standing at livery or otherwise on his premises, with the names and addresses of the owners. He must also enter particulars of servants or carriages on hire to be kept away from his premises, with the description of the carriage (number of wheels, &c.), name and address of the hirer, and this book must be open to the inspection of the Inland Revenue Officers.

Dealers in Hay, Corn, and Straw

Dealers in the cities of London and Westminster, and within a thirty-mile radius, are

subject to Statutes which provide that hay and straw must, except in sales on special contract, be sold in trusses or bundles. The minimum weight of a truss of hay is 56 lb., but that year's hay during June to August must weigh 60 lb. A bundle of straw must be of 36 lb., and a load of hay or straw of 36 bundles or trusses. Sales in quantity to the same person will comply with the Acts, if of the necessary weight. The seller must hand to the buyer a ticket containing the number of trusses, name and address of the owner. The Statutes provide for definitions of "old" hay, for quality, weight of bands, market register of sales by common salesmen, factors, or agents. Penalties are provided for mixing any substance with hay or straw so as to increase its weight.

Dealers in Fertilizers and Foodstuffs

Sellers of Fertilizers and Foodstuffs for cattle or poultry subjected to any artificial process, either in the United Kingdom or before importation, are placed under certain rigorous regulations. The seller must give the purchaser an invoice stating the name and percentages of the ingredients, which operates as a warranty. An article sold under a trade name implies a warranty. Penalties are prescribed for knowingly selling false quantities, or false marking, or mixing with deleterious articles, for tampering with the bulk so as to affect the sample, and for obstructing the authorities in taking samples.

Marine Store Dealers

Marine Store Dealers must have their name and description painted upon their premises. The Merchant Shipping Act, 1894, prescribes the keeping of books, penalizes purchases from anyone under 16, and the cutting up of old cable.

Old-metal Dealers

Old-metal Dealers may be ordered by the justices to be registered and to keep certain books. A search warrant may be granted if there is a suspicion, and penalties are incurred if stolen property is found in their possession.

THE CONDITIONS OF SUCCESS IN THE MANAGEMENT OF A DEPARTMENTAL STORE

SPECIALLY CONTRIBUTED BY

JOHN LAWRIE

General Manager of William Whiteley, Limited

There are three things wanted in any business man, and if he would follow out these three things, they ought to carry him pretty well to the top of the ladder. The first thing that is more required to-day than at any time is for every man to be absolutely honest; and the next thing is that he should understand his business thoroughly—he must be a thorough man—and along with that, if he wants to achieve something more than his fellow man, to get just ahead of him, he must be a hard worker. There is no royal road to success in business except hard work, honesty, and experience; and it is a very remarkable thing that when you really dip into the secret of the success of all the great modern stores, if you get really to the bottom, you will find that the more honest the policy that has been adopted, the more successful those stores have become. This applies not only to Britain but also to the founders of such stores in France, Germany, and America, as the Bon Marché in Paris, Wertheim's in Berlin, and Wanamaker's in America. The largest store in France—the Bon Marché—having as much as three times the turnover of any store in Britain, was built up by a man of this nature. The secret of success in each of these stores has been that they have dealt absolutely honestly with the public. Their system of trading has been to sell at a fair margin of profit, and to fix one price for everybody and not to depart from it. If customers are not satisfied with the goods that they buy in the establishment, they can bring them back and have their money refunded.

When a young fellow fails it is very often

because he takes liberties with the three great principles above laid down. The young fellow, of course, even with experience and knowledge of trade, has got to be wideawake, to be alert. In these days of change, when almost everything and every branch in all conditions of society are in a state of change, it behoves a young fellow to be alert, not to get into a groove, but to be quick to adapt himself to circumstances. This is certain if he wants to be successful in business; and also if he wants to be successful in any profession, he requires the three principles just as much as he does if he intends entering a commercial career.

In our store we could get a larger profit probably for one year if we wished, without the public being able to observe it to any great extent, but if we pursued that policy we feel quite sure that the public would eventually find us out, and that the business would gradually suffer.

What is most wrong to-day with young men is that they do not apply themselves to work as if they meant to win success. They seem to lack ambition or desire to get on; they seem quite satisfied with their ordinary position in life. When the writer was in America he found the young American taking an intense interest in his work. He was more energetic and more anxious to push forward and to gain higher positions. That feeling is much more strong in the young fellows in America than in our own country. Then again, the insular and conservative feeling that seems to creep over the great mass of our population is detrimental to business. People seem more generally satisfied to walk along a beaten track, and

it is with the utmost difficulty that you can get men to think or to act along new lines. It is the harder path, but it is the one path that the young fellow should mark out for himself, and we all should aim after something better and higher. In our business, we feel that the high position we occupy brings responsibilities, and with these responsibilities we can only act in the highest and best sense, but that is also in our truest interests.

The writer has had practical experience of starting a big store, as he was in at the beginning of a big store comprising fifty departments which was opened out at once, and had an immediately successful career. The history of most stores in London is one of gradual growth, departments being opened up as the demand arises. With this experience the writer came to Whiteley's.

The secret of a big store's success lies in its management. Although the manager does not undertake the actual work—this is done by his departmental heads and assistants—he is really the responsible man. He sets the policy of the house, altering it for good or bad as the case may be. Every assistant should be engaged by him, and no resignation should take place without the full facts being brought before him. The greatest importance should be attached to the *personnel* of the staff. It is the staff which comes into actual contact with the customer. Again, each buyer must be selected with the greatest care, for the buyer can make or mar his department. To possess the right buyers is one of the main elements in the success of a store.

Advertising, to be successful, must relate to goods of real value which exactly correspond with what they are stated to be, without exaggeration or undue puffing.

As to the future, there is ample chance for the man who will work. There have been great improvements in the moral tone of those engaged in the business, and those are still most successful who have had a good hard upbringing at the beginning of their life. The young man of to-day is often too slack. He must devote the greater portion of his life to his business if he is to be successful in it. The drapery trade offers greater advantages than ever it did. There is a great opening, and salaries are higher than they have ever been before, but like other trades it offers the best opening for the first-class man.

The big store has done much to elevate the mass of the people. All sorts of things are collected there and suggest bright and new ideas, and are an education in the matter of values.

The writer is of opinion that the man of initiative and strong determination will not be displaced by any circumstances; but suppose the small retailer's position is endangered by the big store, is that a matter to be so much regretted? Would not a man's position be often a better one if he were working for a large store with a wider horizon and greater prospects of advancement, under better working conditions? This is an aspect of the case which is not too frequently dwelt upon in connection with the cry of the small trader.

PART II

NATIONAL AND
INTERNATIONAL TRADE

INTRODUCTION

This Part is devoted to the important subject of National and International Trade, and especially to the latter. National trade is, however, here treated in the wider sense of the trade of the nations, although it has been kept in sight that the aspect which is most interesting is the export and import trade, particularly the exchanges with Britain and the British Dominions. Problems connected with the domestic trade of Britain have already been touched upon in Part I, and here it is the capacity and present output and the probable future of the trade of the Mother Country and the Colonies which claim principal attention. While British trade with foreign countries is still the most important to the home country, the trade of the Empire has received special consideration.

But it is impossible, however anxious Britons may be to accentuate the growth of British trade with the Colonies, to close the eyes to the fact that British trade with foreign countries is still far more important. Imports from British possessions may be worth over £150,000,000, but imports from foreign countries are valued at over £500,000,000. Again, the value of "visible exports" to foreign countries is nearly twice the value of those to British possessions. But, while these totals are expanding from year to year, there is a greater proportionate increase in the imperial trade. It is necessary to keep the comparative returns in mind when dealing with the importance to Britain of the respective oversea trades; although in comparing Britain's outward and inward trade with her Colonies and with foreign countries respectively, the great difference between the populations of the two groups should never be forgotten. Britain sells on the average to each individual white colonist many times the value sold to the individual foreigner. The British manufacturer and exporter is vastly and intimately concerned in the settlement and population of the prairie lands of Manitoba, the valleys and plateaux of South Africa, and the plains of Australia, because every new colonist will inevitably add to his colony's trade with the Mother Country.

To make clear to the ordinary man how rapidly international trade has grown, some concrete statement is necessary; as, for example, that given by Sir Charles Macara at the meeting of the International Cotton Committee in 1910 to the effect that 125 years ago Britain imported only four or five bags of American cotton, while to-day the actual value of the cotton trade of the world is over £600,000,000.

At the same meeting Sir Edward Grey was able to assert that in no great centre of industry had the development of character and the social development been greater than in those industries which were connected with cotton. The International Federation emphasized not the rivalry, but the great points of agreement in industry. They were searching for the progress of common international interests. While this is true of Britain's leading manufacturing industry, it may safely be said that similar signs of healthy advance are discernible in other directions. At no time, in fact, has pessimism in regard to the broad outlook of British trade been less justified.

There is no doubt that facts connected with our fiscal system and the relative progress of British trade compared with that of foreign countries, together with aspirations after an inter-imperial as contrasted with foreign trade, have received an immense amount of popular attention during the last few years. Out of the many years of controversy which divided public opinion so sharply that the greatest caution must be observed when writing even from the commercial standpoint of tariffs and fiscal systems, it must be agreed that some good has emerged. The public intelligence has been quickened upon economic problems, and people who, perhaps, never troubled themselves about any commercial system beyond their own daily routine, and left to professors the theory and to statesmen the inherited practice, now talk glibly and argue not ineffectively on "most-favoured-nation clauses", "invisible exports", "zollvereins", "foreign investments", and many other abstruse problems connected with public finance and international trade. "Where there is much desire to learn, there of necessity will be much arguing, much writing, many opinions; for opinion in good men is but knowledge in the making."

While throughout this work, and especially in Chapter II of this Part, where Tariffs are examined, the utmost effort has been made to keep free from all partisanship, it may be permissible and instructive here to refer to a statement made on a non-party occasion by one of the British political leaders. Addressing the Iron and Steel Institute in 1903, Mr. Balfour said:—

"I am one of those who profoundly distrust the current creed—or the creed which is largely current—that the prosperity of one nation is the adversity of another; that he best serves the industrial prosperity of his own nation who attempts to depress the industrial prosperity or to snatch a share of the common work of industry from some other nation. I believe this to be utterly untrue. I do not, of course, deny—I am not Utopian enough to deny—that there is some real basis of truth, some element of reality, in what is called commercial rivalry between this nation and that nation, between one industrial community and another industrial community. . . . But my firm conviction is that these oppositions of interest are absolutely insignificant compared with the great community of interest in which they ought to be lost and forgotten. . . . What the world wants, irrespective of class or nationality, is a greater production of the things that mankind require; and the disputes as to the division of the results of this great industrial work are really insignificant compared with the interests that are involved in making the work of the world profitable and efficient. In the ordinary current controversies of the day it is supposed that what is good for one industrial country, let us say in a neutral

MAKERS OF MODERN BUSINESS—II

GEORGE CADBURY; born 1839 in Birmingham; Chairman of Cadbury Brothers, Ltd.; Chairman of Daily News, Ltd.; Founder of Bourneville Model Village.

ANDREW CARNEGIE; born 1837 in Dunfermline; made a huge fortune in the United States as Iron and Steel Manufacturer; a noted philanthropist; Author of *The Empire of Business*, etc.; LL.D.(St. Andrews).

ARTHUR CHAMBERLAIN; brother of the Right Hon. Joseph Chamberlain; Chairman of Kynoch, Ltd.

THOMAS COATS (1809-83); born in Paisley; built up the Thread Industry founded in Paisley by his father.

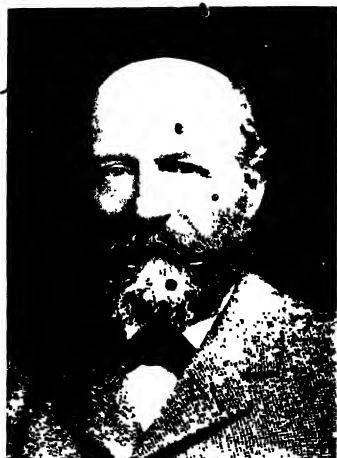
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SIR JEREMIAH COLMAN, BART; born 1859 in Surrey; Chairman of J. & J. Colman, Ltd., Norwich; Baronet, 1907.

LORD COWDRAY of Midhurst; born Weetman Dickinson Pearson in 1856; Baronet, 1894, raised to Peerage, 1910; President of S. Pearson & Son, Ltd., Contractors for Public Works; M.P. (L.) for Colchester, 1895-1910.

SIR FRANCIS CROSSLEY, BART (1817-72); born at Halifax; built up Carpet Industry in Halifax (John Crossley & Sons, Ltd.); M.P. (L.) 1852-72, Mayor of Halifax, 1849-50; Baronet, 1863.

SIR DONALD CURRIE (1825-1909); K.C.M.G., 1881, and G.C.M.G., 1897; Founder of Donald Currie & Co., Managers of the Union-Castle Line of Steamships; M.P. (L.) for West Perthshire, 1880-85, (L.U.) 1885-1900.

•
LORD DEVONPORT; born Hudson Ewbanke Kearley in 1856; Baronet, 1908, raised to Peerage, 1910; first Chairman of Port of London Authority since 1909; Parliamentary Secretary to the Board of Trade, 1905-09, M.P. (L.) for Devonport, 1892-1910.



GEORGE CADOGAN



ANDREW CARNEGIE, LL.D.



ARTHUR CHAMBERLAIN



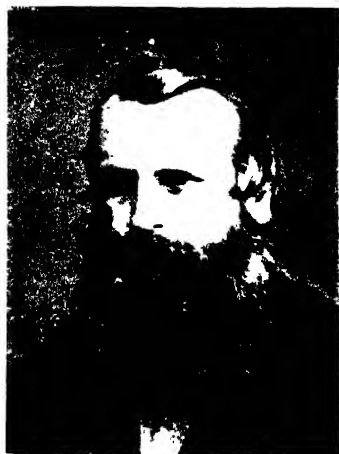
THOMAS COATES



SIR JEREMIAH COLMAN, BART.



LORD COWDRAY



SIR FRANCIS CROSSLEY, BART.



SIR DONALD CURRIE, G.C.M.G.



LORD DEVONPORT

market, is of necessity wholly bad for what are called its trade rivals. There may be some truth in it, but the truth is a petty and insignificant fraction of the whole truth, and the whole truth is that what we want is that methods of production should be improved, and that the improvement should be shared by every nation and people on the earth. The riches of one nation conduce, believe me, not to the poverty, but to the wealth of another nation; and if we could double or treble by the stroke of some fairy wand the wealth of every other nation in the world but our own, depend upon it, our nation would greatly profit by the process."

This truth, which is still often so difficult to perceive, has probably never been better or more fairly stated.

British commercial methods are ever the subject of criticism. The establishment of a Commercial Intelligence Branch of the Board of Trade, with an office in close touch with the haunts of business men, was no doubt a right move, and has proved a successful one, although it could be wished that the success were greater, and that co-operation with this Government Department on the part of the commercial community were more pronounced. The Department still has to advertise its willingness and ability to assist, and does not appear to be overwhelmed by acceptances. It works largely through the voluntary organizations, such as Chambers of Commerce. But the work should not stop there. A vast amount of money is spent by the nation in collecting, and then printing and disseminating, information of a commercial character, and a better service, with a larger expenditure of public money, is often demanded. Perhaps this information is not always subjected to the most popular method of editing, and it is well known how necessary a popular treatment of such figures is to a busy world. It is to be feared that tons of Blue Books go to lumber and waste. While much information trickles through the newspapers, whose editors summarily select from and boil down such official documents, there ought to be more places where the documents themselves can be studied, and more guides competent to assist in the discovery of their special features of interest. It is a study worth the display of intelligence, and often productive of useful, apt illustration in ordinary business life, as one of the writers in this Part has shown.

Every public library ought to have its commercial side, and every librarian should be familiar with the commercial literature of the day. We should then see a new usefulness in the library, and perhaps an awakened interest in its more truly literary purpose. German public libraries aim at being more select, and at being storehouses of knowledge and culture rather than mere warehouses for miscellaneous goods. Why should we always have to learn method from the Germans—method which we have been told is "only a reduplication of common sense", the one faculty which Britons claim as especially their own? And yet not only the lesson of method but the modern example of energy comes to us from that country where there is to be observed an "unquenchable desire to work", as contrasted in Britain too often with the evident intention to escape work. The British Consul-General at Frankfort, in his report in 1910, said that the greatest impetus to the development of German trade was given by the abundance of youthful energy, the willingness to work, the determination to achieve, backed by a

natural adaptability and a sound commercial education, and directed by a gift of organization carefully trained. Britain ought not to stand in any need of such an incentive, and it cannot really be doubted that a nation in the fullness of its life is ready for the development and activity of as many and as high faculties as possible.

It is not alone in the growth of the total volume of trade—the ‘most conspicuous and familiar example—that British progress is seen to be safe beyond all question. Variety in business is a distinct and hopeful sign. Novelty and flexibility in range of production, increased specialization and study of the markets, larger appreciation of trade openings throughout the world—these are distinctly favourable signs. As in the retail mart at home, so in the oversea markets—adaptation, promptitude, and originality, with a rigorous maintenance of high quality, so that each article or service may be fitted for the purpose for which it is intended, carry the assurance of continuance in that high place in the world’s trade. The future of British trade is the subject of a special chapter in this Part, contributed by one who, through making it a special study, has made a name for himself in this connection. It is hardly necessary to observe that in this case he has written entirely from a non-party standpoint.

An additional impetus to national commercial progress has been given by more general travel and a wider knowledge of the possibilities of British trade in all parts of the world. Appreciation of the truth that “changes of work, of scene, and of personal associations bring new thoughts, call attention to the imperfections of old methods, stimulate a ‘divine discontent’, and in every way develop creative energy” (Marshall) will be accountable for a still greater increase and more general participation in foreign and colonial trade as these habits and turns of mind become more extended.

It is hoped that the treatment accorded in this Part to the problems of National and International Trade may help to stimulate such energy and determination.

CHAPTER I

THE HOME AND FOREIGN TRADE OF BRITAIN

The Rise of British Trade—Supremacy of British Shipping—The Balance of Trade—True Relations of Exports and Imports—Tariffs and Imperial Reciprocity—Science and Industry—Government Assistance—Extension of British Trade.

No country is so richly dowered with natural resources that it is self-contained and self-sufficient when its people have reached a state of civilization. Every country, therefore, exchanges its surplus of products or manufactures for those of other countries, and an export and import trade come into being. The natural tendency of all industries is for a product to be cultivated in the country and locality where it can be produced most cheaply. Sericulture and cotton-growing, for example, could, no doubt, be carried on in Britain, and artificial restrictions intended to reduce or prevent the importation of silk or cotton from other countries might be invoked to assist these industries; but the production would assuredly be uneconomical. The country is far better employed otherwise. It is better to exchange coal for cotton and silk and wine than that these articles should be produced indifferently with excessive labour and capital expenditure in a country not suited by nature for such industries. This principle is at the root of political economy. If the world had an ideal constitution, the free exchange of commodities would

be universal. Thereby mankind would reap the greatest reward with the minimum of labour. But affairs are regulated from national points of view, and nations usually consider the universal good opposed to their interests.

To a nation the importance of foreign trade depends upon its ability to provide itself from its own natural resources. A country stretching through every zone of temperature, whose situation enables it to produce for itself every vegetable product, and blessed with a sufficiency of all the minerals required by its inhabitants, could afford to be indifferent to export and import trade. But in proportion as a country lacks natural products, or is unfitted for their exploitation on account of conditions of temperature and climate, so foreign trade becomes necessary—an import trade to provide it with the surplus resources of other lands, and an export trade to pay for what it imports. Britain is essentially a country deficient in natural resources, hence her export and import trade is of very high importance, indeed essential to her existence.

THE RISE OF BRITISH TRADE

The international trade of Britain, notwithstanding the volume it has attained, and that it has long been pre-eminent in the world, has a foundation not very remote, when we remember that in the year 1700 the total amount of our imports was valued at £4,600,000, and our exports

at £6,100,000, approximately; and that even in 1800 these figures had only grown to £30,500,000 and £38,000,000. The year 1854 is the first for which we have reliable statistics, and in that year the imports stood at £152,000,000 and the exports at £116,000,000, the total trade per head of the

population being £9, 14s. In the following fifty years the development of oversea trade was such that the figures were: imports, £551,000,000; exports, £371,000,000; and the total trade per head was £21, 11s., and it continues to grow at the present day.

The origin of British oversea trade is, of course, found in the English ambition to be a maritime power, which had its rise in the age of Elizabeth. This spirit, as well as the growth of native industries, was carefully nurtured by Burleigh and Cecil, who aimed, not at treasure like the Spaniards, but at the supply of necessities. The pride and ignorance of Spain, and the religious persecution in both Spain and France, left commerce to the English and the Dutch, and drove to England the founders of many of her skilled industries. National ambition suffered a decided set-back during the reigns of the early Stuarts, and the Dutch supremacy affected British trade both far and near. Cromwell's brief tenure of power was conspicuous for a foreign policy which did much to lay the foundations of present foreign trade, and the government of Charles II, or rather Clarendon, must be credited with a commercial policy which was enlightened for that age; but in those days, and indeed until comparatively recent times, the occupation of distant territory meant little more than the import of merchandise, largely in the nature of luxuries, in British vessels, and the export of British manufactures.

The policy of conserving the carrying trade was due to the belief that it was of more consequence than dealing in the goods by way of export or import which various countries might produce. Trade with distant countries was then a matter with which government and the nation at large troubled themselves little beyond treating it as the home monopoly.

Colonial Expansion

Colonists were sometimes those disaffected with the home government who had emigrated for other than commercial reasons, and sometimes those who were rejected by the old country. Early colonization was, however, due to those who were often styled "Adventurers", although their enterprises were often confirmed by royal charter, and they were generally incorporated into a joint-stock association. India was not only exploited but also politically governed down to the middle of the nineteenth century by the greatest of these corporations. South Africa has been more recently the field where chartered companies with commercial objects have been the forerunners of British federations. The rise of Scottish industries was

of later date than English—not till after the Union of the Parliaments, at the opening of the eighteenth century. The industries of Ireland came later still.

Although the great descendants of some of these early "plantations", as they were called in New England, are not under the British crown, owing to political aggravation which led to the Declaration of Independence in 1776, yet the Hudson Bay Company existed long before the Dominion of Canada was dreamed of, and remains to-day an important trading organization. In early times, and with a blood relationship very little removed, it was natural, even without the interposition of Navigation Laws, that trade should follow the flag. At the present day, when the important colonies are self-governing, with power to impose tariffs against the mother country as well as the rest of the world, retention of the trade with the colonies is a problem, with one exceptional element, very similar to that of the maintenance of trade with foreign countries.

It took many years to appreciate that Lord Durham had risked his political reputation to write "the most instructive public document on colonial administration that had ever been written" (A. L. Lowell). His forecast of the prospects of Canada has been fully justified. The "almost boundless range of the richest soil" is still being rendered available for the purposes of agriculture. The "wealth of inexhaustible forests of the best timber in America, and of extensive regions of the most valuable minerals"; the "greatest and richest fisheries in the world"; the "best fuel and the most abundant water-power available for the coarser manufactures"; the "safe and spacious harbours"; "long, deep, and numerous rivers, and vast inland seas"; "unbounded materials of agricultural, commercial, and manufacturing industry"—all these natural endowments have now been tested, and are still being held out as attractions to desirable immigrants.

That these are "the rightful patrimony of the English people", "the ample appanage which God and Nature have set aside in the New World for those whose lot has assigned them but insufficient portions in the Old", must be read in a somewhat different sense from that which Lord Durham, in his famous report, no doubt intended. "Wise and free institutions" have happily healed and cemented political relations, but trade must be maintained by other means; the commercial "benefit of the British people" must be sought in other ways. "The experiment of keeping Colonies and governing them well" has, indeed, been given a trial with results which even Durham could hardly have anticipated; but that the vast Do-

minion of Canada should be content merely to "supply the wants of our surplus population, and raise up millions of fresh consumers of our manufactures, and producers of a supply for our wants" is not a large enough ambition for the people of that Dominion, nor of any other dominion under the sway of the British crown, and this the Britisher in the home country must speedily recognize, if he has not done so already. The intention to become manufacturing nations themselves is now well declared.

Trade and Imperial Sentiment

It is commonly said that "trade follows the flag". The statement contains some truth, and the enormous trade of Britain is due in no small measure to the fact that her flag floats upon so many shores. Look at two adjacent territories similar in general natural conditions, one British and the other non-British—British Guiana and Dutch Guiana, for instance. In the former country the imports are about 55 per cent British, equalling £3 per head of the population; in the latter the British share of the imports is only 20 per cent of the total, equalling 27s. per head of the population. Australia and the Argentine Republic may be compared. Both are great agricultural and stock-raising countries; both are far removed from the great manufacturing nations, and in both the imports have an annual value of about £60,000,000. In the Argentine one-third of the imports are of British origin, equal to about £3, 10s. per head of the population; in Australia over 60 per cent of the imports are British, being equal to about £5, 10s. per head of the population. Wherever we turn we find that a British country favours British trade—proof that imperial sentiment *has* a cash value.

Canada is the only colony in whose import trade Britain is not supreme, and this is due, of course, to the fact that Canada and the United States have a common frontier with all the facilities of communications enjoyed by adjoining territories. British manufactures go to Australia as to £26,000,000 against £8,000,000 foreign; to New Zealand, £9,000,000 against £1,000,000; to South Africa, £12,000,000 against £4,000,000 from foreign countries; as for Canada, the figures are £12,000,000 against £21,000,000. It remains still to be seen whether the slight preference which is given to the home country, in the Dominions, will, in the long run, have any effect in diverting some of their foreign trade to the mother country, after allowing for the rise of home manufactures in the colonies themselves, a rise most noticeable in Canada and Australia.

"The Workshop of the World"

Britain was formerly the granary of Europe. The policy by which her statesmen raised her to that position was doubtless a wise one in its time. In the days when the normal state of Europe was one of war, and before other continents were able to supply food for the people of Britain, a regular and abundant home supply was a necessity; but when an era of comparative peace followed the long international strife, the policy which had built up Britain's agricultural industries was modified with advantage to the nation. It was then more profitable for the people to purchase the greater part of their food supplies, giving in exchange the products of their factories. Thus Britain became "the workshop of the world", and her greatest development during the last century has been as a manufacturing nation. Three things made that development possible: her natural resources of fuel; the supremacy of British shipping; and the spirit of invention in the manufacturing arts which took hold of her people. Britain was then alone in the possession of her great natural resource. Coal and cheap carriage are the foundations of economical manufacture. Britain was then, as now, the carrier of the world, and the entrepôt of nations. Her ships brought the natural products of every clime to her shores, where they could be transformed by machinery driven by coal fuel, and made into articles of use and ornament for exchange with every civilized and uncivilized people on the face of the world.

The age of steam brought its first blessing to Britain. The spirit of invention inspired Watt and Stephenson, Arkwright and Cartwright, Cort and Bessemer, Nasmyth and Maudslay, and bent their genius to the tasks they executed so brilliantly. All these factors played their part in moulding the industrial destiny of Britain before Germany had become even a political empire, or could have thought of a commercial future, and while the population of the United States was absorbed in agriculture. When these chief competitors of Britain in the world's markets first awoke to the consciousness of their opportunities, Britain was a master craftsman. But it was inevitable that such an exclusive position could not be maintained in the world, and there were special reasons why a nation which was limited in natural resources should soon be confronted with keen rivals.

The two great industries of Britain were textiles and iron manufacture. Cotton was always imported, and never a protected industry. To this day every pound of cotton worked in the spinning mills and weaving factories of the country is im-

ported, and a great proportion of the wool and flax for the sister industries comes from oversea sources of supply, which in the case of Australia had to be created by the introduction of the sheep.

The iron deposits of Britain fall short of the manufacturers' demands, and more and more is iron ore imported, while local supplies are ample in Germany and America. The wonder therefore is not that other nations are making headway, and developing some of their manufacturing industries at a more rapid relative rate than Britain; it is rather a matter for surprise that Britain still retains her high place in the manufacturing field.

The United States of America, to take one example, is a competitor with most favourable natural conditions. Formerly American cotton was shipped to England, spun into yarn, woven into cloth, and then shipped back to the United States—the districts of the cotton fields. This practice was clearly anomalous, though it still prevails to some extent; but the tendency to set up a cotton factory near the cotton field is a natural one, and is bound to become more and more pronounced. On the other hand, three factors favour Britain's continuance as a great cotton-manufacturing country: (1) The extent of her shipping, which gives her access to the markets of the world, while communications from the United States are deficient. (2) The advantage of experience of the trade and possession of the markets. (3) The lower cost of production in a country where the cost of living is not enhanced by protective tariffs.

The first of these three factors, also connected with the last, gives promise of being maintained until economic conditions in the United States make it possible to build ships at the low cost at which they can be turned out in Britain. The second factor is bound to be diminished by time and experience; and it is not possible to speculate upon how long the third factor may give its undoubted advantage to this side of an industrial nation. The whole situation, when studied closely, reveals this fact—that the British cotton trade,

the rock on which so much of Britain's material prosperity is reared, is distinctly pregnable, and is vested in her by no natural advantage.

In the next most important national industry—the iron and steel trade—natural advantage does not lie quite so heavily towards the side of competing countries. The trade was reared on home resources, although it has far outstripped them. It has the advantage that nowhere in Britain is long railway haulage necessary to place the products of the iron mines and steel works on board ship. The deposits of the United States can be mined at much less cost by adits instead of by deep mines; but the products of the United States' iron mines have to be hauled many hundreds of miles for shipment, the largest and richest deposits being far from the coast. Attempts to discount this are made by manufacturers working upon a gigantic scale. Ore ships automatically loaded on the great lakes, blasting furnaces and rolling mills with excessively large capacity, and railway wagons capable of taking many times the load of British railway wagons, assist this movement.

In whatever branch of industry investigation is made, the situation in the different countries is fraught with much interest, and the outlook forms a fascinating problem for the student of industrial movements. It seems inevitable that the future must be with the countries which have been provided by nature with the most generous measure of natural wealth. Already in coal and most metals Britain has no longer the first place, and cannot hope to regain it. It is only natural, when the activities of a great nation with a population more than twice that of Britain are directed towards the exploitation of much greater natural resources, that the former British rate of progress should be eclipsed. The philosophic and only comfortable or rational reflection is that the markets of the world are numerous enough, and the consumption of the world is extending rapidly enough, so that notwithstanding the increase of the production of other nations, Britain may hold all she has and still go forward.

SUPREMACY OF BRITISH SHIPPING

It is impossible to overstate the advantages of that command of the sea which was the rise of Britain's greatness, and which is still the basis of her supremacy. It is in regard to her sea power and in her mercantile marine that the contemplation of Britain's future finds no room for those hesitations and doubts that are sometimes forced upon the thinker in connection with her general commercial outlook. In this sense other nations

have hitherto toiled after her in vain, and it is rather the citizen of the United States of America who draws poor comfort from reflection on a national fleet. A writer has complained, in reference to one sphere of influence, that "English, German, French, Italian, Austrian, and Spanish lines ply regularly to the great ports on the Atlantic side of South America; with almost equal frequency other lines under the same flags con-

tinue the journey to the west coast, and gather the riches of Chile, Peru, Bolivia, and Ecuador for home consumption, but alas! the Stars and Stripes of our own country are seldom seen, and much of the trade that should belong to us has escaped because our merchant marine has dwindled to nothing during the last generation". The command of the sea, however, does not entirely depend upon the mercantile marine of a nation; it has largely to do with ports and coaling stations on the broad highways of commerce.

Shipping routes have a potent influence on international trade. In the middle ages the products of Asia reached Europe over the isthmus of Suez and through the Mediterranean. Venice, Genoa, and Florence were the carriers of the world. Then the sea route to India round the Cape of Good Hope was shown by Vasco da Gama, and these cities sank as the suns of Portugal, Spain, Holland, and England rose. Last century the opening of the Suez Canal sent the mercantile fleets of the world through the Mediterranean again, although the pre-eminence of the Italian cities had been lost for ever. Away beyond the western horizon men are at work channelling another great isthmus, that of Panama, and when the work is done there will be opened a new ocean gateway between East and West. What does the event portend?

The Panama Canal will not advantage trade between Europe and Asia. The Suez route will still be the shorter. It will bring Great Britain nearer to New Zealand by about 1300 miles, although the Suez Canal will still be used for ships sailing between these two countries, because the Australian trade is so wrapped up with the New Zealand trade, and Australia will still be much

nearer via Suez. The great fact about the Panama Canal will be that the manufacturing States of the Eastern United States will be placed nearer many Eastern markets. New York will be much nearer to the long western seaboard of South America than Britain; New York and Liverpool are now about equidistant from Valparaiso and the other South American Pacific ports. New York will be 1500 miles nearer Yokohama than Liverpool, and will have an advantage of 1000 miles in the case of Melbourne, and 4000 miles in the case of New Zealand. If American shipping rises to its opportunities—an event which is in doubt—the United States will attain a great advantage in Japan, Australasia, and Pacific South America. The mere fact of the greater proximity of those markets will induce keener American competition, and probably a greater share of import trade. A large amount of American manufactures reach the markets mentioned via British ports, the better shipping services of Britain making this transshipment trade profitable to importer and exporter alike. With the greater proximity of these antipodean markets to New York, it may be expected that this transshipment trade will disappear, and that direct communication will be established upon a larger scale.

Much benefit will probably accrue to the trade of Britain with California and the other Pacific States of the United States, and with British Columbia through the trans-Panama route. The great wheat lands of the Canadian west, the timber, fish, and fruits of British Columbia and California, will find a convenient avenue to Europe, and return cargoes will contain much British manufactures for these western markets.

THE BALANCE OF TRADE

Many countries, of which Britain is the most conspicuous example, import goods to a much higher value than the value of the goods exported. This is sometimes expressed by the phrase that "the balance of trade is against" a country. The theory that lies behind the expression is that if the purchases have a value greater than the sales, the difference represents a drain upon capital that will eventually lead to the bankruptcy of the individual or nation. The practical objection to this contention is that in spite of a long series of years during which this reputed drain has been going on, the British nation is richer than it has ever been, judged by accumulation of capital, remuneration of labour, income-tax assessments, savings-bank and friendly-society deposits. From the wide national point of view there is no single evidence

of decline. Turning to foreign countries, we find that almost every country in Europe exhibits a similar higher value in import than in export trade. Germany, Holland, Belgium, France, Denmark, Norway, Sweden, Switzerland, Portugal, Spain, Italy, Turkey, and Greece import goods to a greater value than their exports. Austrian trade is almost on a balance, and in Russia and the three Balkan States exports exceed imports. Other evidence than the balance of trade must, therefore, be looked for to determine prosperity or adversity in national life.

The *prima facie* adverse balance of trade requires, however, some explanation, and the explanation lies in what are generally called "invisible exports"; exports of a character which do not figure in customs returns, or in statistics of

national trade, a great part of which escapes the vigilance of any commercial calculation. "Invisible exports" are goods sold or services rendered to other nations, paid for by those nations with money or money's worth. If it can be shown that these "invisible exports" are of a value equal to the difference between the annual import and export values, this in itself disposes of the argument as to adverse balance of trade; but their value cannot be computed with accuracy. A British fishing fleet may go straight from the fishing ground and unload its ocean harvest at a continental port; such trade is properly but not officially British export trade. But services rendered by British traders as merchants between other nations' traders are of greater consequence. If a British exporter sells a cargo of Belgian cement to the River Plate, and has it sent direct from Antwerp, securing by the transaction a profit of £200, this will justify £200 worth of adverse trade. Professional services count in the same way. A British mining engineer who reports on properties in Mexico may contribute a fee of £1000 towards the needed balance of adverse trade. But the most important services rendered by Britain are in connection with shipping and the investment of capital in foreign and colonial enterprises.

In round figures the imports of the United Kingdom have a value in excess of exports of about £150,000,000 annually. This difference can be more than accounted for by the interest on foreign investments and by services performed by the British mercantile marine. The British Government holds Suez Canal shares that yield dividends in excess of £1,000,000 per annum, and this justifies £1,000,000 worth of the import trade for which there is no export equivalent. A conservative estimate by the Board of Trade calculates the earnings of British ships in the international carrying trade for cargo alone at £90,000,000 a year. This takes no account of the earnings of passenger traffic and mail service, which it would be impossible to estimate with approximate accuracy, although it is fair to say that they cannot be less than another £10,000,000. The shipping services, therefore, justify more than

two-thirds of the presumed adverse balance of trade. British investments abroad easily exceed the remainder. A recent British official return shows, as far as can be traced by Inland Revenue authorities, the annual interest from British investments abroad to be £89,000,000. When the most rapid survey is made of the fields where British capital supports railway, mining, and industrial enterprises throughout the world, it can safely be said that this adverse balance of trade might be very much greater than it now appears to be without reaching a point when it need occasion any alarm.

True Relation of Exports and Imports

It is too common a supposition that a high *per capita* export and import trade is a certain indication of prosperity in a country. New Zealand, for example, has an export trade of £21 per inhabitant per annum, and an import trade of over £18. The United Kingdom has an import trade of over £13, and an export trade of over £8, 10s. per head; while the United States has a *per capita* import trade of less than £4, and export trade of less than £5. The explanation is simply that New Zealand is one-sided in its industries, and produces far more food than it can consume. This large excess is exported and paid for by manufactures imported. The United States, on the other hand, is more nearly balanced, having a wider range of natural resources to provide the food and raw materials required by her people. She is far more prosperous than many countries, such as Norway and Sweden, where the foreign trade has a much higher *per capita* value. The United Kingdom is an instance of a country where there is this want of industrial equilibrium, where the deficiency in natural resources makes a large foreign trade essential. Countries with a higher *per capita* trade than the United Kingdom include Australia, as well as New Zealand, Belgium, and Switzerland, but an elementary knowledge of trade conditions in these countries would allow no one to accept a higher rate of trade per head as evidence of greater prosperity.

TARIFFS AND IMPERIAL RECIPROCITY

No account of the present international position in industry and commerce could possibly be taken if it did not glance at the aspirations after imperial reciprocity in fiscal matters. The British self-governing colonies have established tariff systems, which place the produce and manufac-

tures of the British Empire upon a slightly more favourable basis in their markets than the produce and manufactures of foreign countries, and it is widely thought that, in return, some preference should be accorded to colonial goods in the home market. The obvious difficulty experienced by

Britain in regard to this aspect of imperial reciprocity is that, her system being one of Free Imports, she cannot discriminate. Concessions could only be given under a system of prevailing customs duties, and Britain has not yet decided to revert to a system of protective duties against the world even for the purpose of inaugurating a slightly lower scale in favour of certain preferred markets. The colonies had no such problem to face. They had followed the practice of protecting their domestic industries by tariffs, small or great, and it was a comparatively easy matter to introduce discriminating duties so as to favour Britain and other parts of the British Empire. No colony, however, has shown any intention of admitting the products of other parts of the Empire upon terms which would approach equal competition with her home manufacturers. Free Trade within the Empire must be regarded as chimerical, or at least it has not been considered practical politics either at home or in the colonies. The actual cash value of the respective Preferential Tariffs is discussed elsewhere (see Chapters II and VI of this Part). In general, the preference granted is small and the effect disappointing, even to the most ardent advocates of this imperial system. The future is in the hands of the electorate, and

therefore does not form a fit subject for discussion here.

In considering the commercial future of nations, it must be recognized that a new factor has entered into the calculation of affairs—a factor that may prove potent in confounding the artificial barriers which have hitherto been devised. For the dominion of the land and sea the nations have long contended in war and in the peaceful competition of business. We may be now upon the threshold of the conquest of the air, and when that is achieved the ordinary limits of jurisdiction must cease to be hindrances to international intercourse. But the possible effect of aeroplanes as commercial vehicles is too remote to enter into present-day calculations. It is, however, curious how history repeats or resembles itself. Adam Smith, in arguing for the free importation of beef, urged that that commodity could never be imported to injure local stock-raising, because the only means of transport was on the hoof, and the expense of the operation would always prove effective protection for local producers. The locomotive, the steamship, and the refrigerator have confounded this contention, and it may be reserved for the flying machine to reverse many of our own calculations.

SCIENCE AND INDUSTRY

It is still possible, however, amidst all the controversy that has taken place in the United Kingdom and throughout the Empire upon the subject of Fiscal Policy, that factors which might make for the greater advance of British trade have been overlooked. On taking up his position as High Commissioner in London for the Australian Commonwealth, Sir George Reid, in the course of an interview, said: "I wonder if your marvellous manufacturing power is being turned to the best account? The recent discoveries of science have continuously improved the art of manufacturing. Are the people of England digging deeply enough into the possibilities of applied science? Is industrial capital sufficiently embarked on the side of observation and experiments? Is there not as much danger in the laboratories of foreign countries as there is in their dockyards?"

It has become a commonplace to point to the subject of aniline dyes, and the march which the German manufacturers stole upon the British in this respect, but it is by no means certain that similar opportunities might not be lost, even in the present day. Development in trade might take place only after others had shown the way, and so considerable inroads would be made upon

commercial supremacy for the want of a little forethought, and important industries might be impregably established in other countries, the benefit of which some "observation and experiment" might have secured for this country.

It has been said that national wealth and prosperity may be modified in a positive or negative sense by a system of tariffs, but cannot be won thereby any more than health can be secured by the taking of pick-me-ups and tonics. In the invention of new dyes and synthetic drugs, in the making of microscopes and scientific instruments, the Germans have excelled because their Government has established an admirable system of national education, and because their manufacturers have had the foresight to employ in their works regiments of research physicists and chemists.

Industrial economy, carried to a fine point, utilizes many waste products, or what were formerly regarded as waste products, thereby turning not sand, but rubbish, into gold. Even the dustbins of our towns and cities provide the power for electric-light plants; ammonia and sal-ammoniac are made from liquor issuing as waste from the common gas-manufacturing plant; arsenic is recovered from the residuum of aniline dye works;

brewers' waste forms a valuable cattle food; slag wool, the waste product of the iron-blasting furnace, is an effective non-conducting covering for pipes and boilers, and out of the blasting-furnace slags are also made paving stones and glass. Fish waste provides a good substitute for isinglass, and fish scales can be treated so as to form imitation pearls, while leather is made into artificial ivory, glue, and fertilizers. The refuse from many metallurgical processes, formerly considered valueless, is now compelled to yield its metallic contents for industrial service. Samuel Cunliffe Lister became a millionaire and a peer through his process of utilizing silk waste. These are only a few instances of the value now attached to what was formerly disregarded and thrown upon the rubbish heap, but these instances show how valuable a handmaid chemistry is to industry—such marvels has the scientist, particularly the chemist, accomplished. But it is in the sphere of science that British industrial enterprise seems to fall short; and in that sphere lie many industries which, in other countries, have been advanced farther through the prescient enlistment of the chemist and physicist in the industrial system.

At the root of the co-operation between science and industry lie education and specialization. Scientific education and training, apprenticeship and specializing study on the scientific side of industrial production, have seen victories in the past, and are bound to be more and more the fields

of victory in the future. Anyone who considers, however, the ground on which recent successes have been won, is apt to be somewhat pessimistic with regard to the share of Britain. The development of electrical industries has been primarily non-British. The motor car and aeroplane we owe to France and America; Germany has been far ahead in industrial chemistry, and has almost monopolized the manufacture of dyes and other products of coal tar, which was British by right of invention and discovery. The type-setting and great printing machines come from the United States; so did, originally, the typewriter and the automatic machine tool. Germany provided the incandescent gas mantle and the metallic filament electric lamp—the two recent great improvements in domestic and public lighting. Britain can certainly claim the turbine steam engine and half the credit of wireless telegraphy, but among the epoch-making inventions and discoveries her recent share is surprisingly small. In her own industrial progress she owes some of her greatest men to foreign nationalities. It will be obvious that there is need of the greatest skill and training to acquire and to hold the position of a great manufacturing nation. Happily, invention and scientific discovery do not long remain the private property of those through whom they have their birth; they are rapidly appropriated, and a people with intelligence to adapt may often secure greater advantage than those with genius to invent.

GOVERNMENT ASSISTANCE

Although opportunities have been lost in the past, it may be said with some confidence that the British nation is alive to the necessity for technical education in the present, and that the Government and private benefactors have not been niggardly in the supply of funds where opportunity has been demonstrated for the furtherance of British industry. The efforts of Government may not have been seen so much in fostering research and experiment as in the spread of better information, both with regard to home and foreign trade. Statistics have been vastly improved and adjusted in respect of the available material in Government departments, and the opportunity which the State has of utilizing distant officials has been called into service for the collection of foreign commercial intelligence.

Government, which first took an interest in trade owing to the necessity for revenue, and which taxed trade as trade became a taxable element, has seen with increasing advantage the wisdom of utilizing Government resources for the benefit of trade.

The Board of Trade, the Foreign Office, and the Colonial Office are now constantly seeking fresh avenues in which to assist commerce by Government officials and support. This is a departure which would not have met with the approval of some of our greatest commercial authorities of yesterday, who strongly doubted whether anything beyond the collection and publishing of the best information with regard to trade should ever be undertaken by Government. The idea of fostering trade abroad by means of a Government department would have been scouted not many years ago by those who were considered to have the most enlightened views upon our commercial policy. The establishment of the Commercial Intelligence Branch of the Board of Trade would certainly not have had the approval of Lord Farrer, we have been told by Sir Robert Giffen; and what would he have said to the still more recent development of an Exhibitions Branch, with Government officials touring the country trying to induce manufacturers to occupy spaces in a foreign exhibition,

taken and allotted and managed by Board of Trade officials?

British Commercial Complacency

So much has been done, not with the entire approval of the commercial community, many of whom have come to look upon exhibitions, foreign or home, with some suspicion. On the other hand, there is the urgent demand put forward by that community for improvement in the service rendered by our Consuls, coupled, it may be, with inadequate appreciation of the services already rendered. It is, perhaps, somewhat characteristic of the British people that they should criticize the conduct of a department or undertaking, and at the same time fall short in anything like a hearty co-operation in the efforts already made, when, without such co-operation, such efforts can only be moderately successful. In the abstract, the British merchant still takes very little interest in developments of this character; but he excels at complaint when

a particular demand, on a Government department or official, however unreasonable, is not immediately satisfied.

An effort to secure a reform which shall affect a trade or a section of a trade has generally to be promoted by the few, and, even when carried, it is long before the new regulation is understood and availed of by the many. The larger aspects of success or failure do not give the ordinary business man any serious pause. Lord Rosebery, as Lord Rector, delivered at Glasgow, in 1900, one of his many monitions to the nation, when he said that he was greatly struck by a passage in the report of the United States Consul at Chemnitz: "If an industry in Germany languishes, immediately a commission enquires into the causes and recommends remedial measures, among which usually is the advice to establish technical or industrial schools, devoted to the branch of business under consideration". In a word, he said they go to the root. Is the British manufacturer always so eager to investigate the origin of failure?

EXTENSION OF BRITISH TRADE

The object of the present Part is to deal with the trade of the United Kingdom, foreign countries, and the Dominions and Colonies, with a view to the better appreciation of the factors that go to the conservation and extension of that trade. In the chapters which deal specifically with foreign countries and the Colonies, it has been sought not to repeat the information which is already supplied in established quarters, but to collect information from other sources, and to deal with that information in a comparative sense. It is shown on a later page how the intelligent use of the trade figures found in an annual "Blue Book" may illuminate the problem of where a particular manufacturer may seek his foreign market with the best hope of success. Many a Government publication is full of practical service, if only the way about were understood. There is still an opening, it is believed, for the fresh treatment of statistics, of geographical, and even political, information from the direct point of view of commerce. With a more accurate and long-sighted regard for the possibilities of trade abroad, it will be possible to apply that intelligent anticipation of commercial prospects which has been applied to home trade with such success.

It may be instructive to note the difference between British methods and the methods adopted by the Trade Commissioners of some of the Colonies. The British method is strictly detached from any semblance of identification with any

individual interest, intensely dignified and bureaucratic. Ask for information, and the Commercial Intelligence Department of the Board of Trade will furnish it, if it be available, and will even go to some trouble to procure it. The Colonial Trade Commissioners go much farther. They actually take orders, which they transmit to their headquarters to be handed to the producers for execution. They perform, on behalf of the manufacturers of their country, the functions of commercial travellers, quoting prices and terms, furnishing samples, and clinching business with buyers. We do not say whether the British officials should act upon these lines or not, and we have already seen there would be strong objectors to any further development in Government aids.

While information of a vitally important character to commerce was either ignored, as beneath their dignity by Government officials, or discovered by chance and locked up for their own benefit by particular British merchants, it was hardly to be expected that commercial progress in the wider sense could make great strides. We are now supposed to be living under a different dispensation, and if the Correspondents of the Commercial Intelligence Branch perform the duties which they have undertaken, there should be an opportunity to extend these relations abroad. Many manufacturers and merchants, who never contemplated anything but the most indirect participation in trade beyond their own country or the immediate

continental neighbourhood, might then participate in direct international trade.

When it is seen how a little forethought or enterprise in any retail venture can lead to success in one of the oldest commercial thoroughfares in London, with competition at its very keenest, and a public suspicious of any departure from the customary, it is surely not too much to suppose that these more intelligent and better informed methods applied to foreign trade might vastly develop and extend it in many directions. Many instances, however, of the want of the most elementary precautions constantly come to hand from British representatives abroad.

Imperial Commerce

It is undeniable that public opinion in matters of trade in recent years has been most concerned with the extension of British trade with the Colonies, and the most prominent of all features in connection with this question has been the one of preferential tariffs. The effect of these tariffs in so far as they have become a portion of Colonial fiscal systems has already been referred to, and is noticed in detail in Chapters II and VI of this Part. The efforts of the United Kingdom to secure trade with the Colonies have been systematized to some extent by the appointment of officials known as "His Majesty's Trade Commissioners" for the four Dominions, and by the establishment of Correspondents by the Board of Trade in the Colonies and Dependencies, with the idea that they should perform services in connection with the Colonies similar to those rendered by Consuls in foreign countries. This is a movement which so far seems to have been fully justified.

The Colonial Office has also been brought into closer touch with the trade of the Colonies by means of personal tours undertaken by high officials, and it is eminently desirable that such visits of inspection should be periodical events.

The efforts of the various Dominions themselves have been even more demonstrative, and there are few which have not established depots and show-rooms, with attractive windows, setting forth these products and possibilities, in London and other large towns. Canada has been to the fore in emigration inducements, and the various states of the Dominion have themselves separately urged their claims. Australia has not been far behind; the interests of the Commonwealth now being represented by a High Commissioner, and the various states still having their own agencies.

A better knowledge of the imperial heritage, from the commercial standpoint, is still the chief desideratum. Most of us grow up and remain entirely ignorant of its territory outside our own coast. A tour through the leading portions of the Empire is possible at a cost of about £150, which, considering the time taken, is little more than many might spend on a summer vacation at some pleasure resort in Europe.

The closer co-operation of the United Kingdom and the self-governing Colonies has not only to be secured by the efforts of various trade commissioners; there is much that can be done for the benefit of imperial commerce, and this was fully appreciated by the meetings of the Chambers of Commerce at Sydney in 1910. An Imperial Council of Commerce should be able to give effective consideration to many of those questions which vitally concern the conservation and due protection of trade. The imperial trade mark has been advocated, and the consolidation and assimilation of the patent laws of the Empire. The idea of a national trade mark has been current in Britain for many years, and while the question is beset with practical and legal difficulties, the achievement of a common distinctive mark for British goods is worthy of a determined effort. But these are only some of the items on the agenda of the Imperial Business Council, whose work will grow with its growth.

CHAPTER II

TARIFFS, BOUNTIES, COMMERCIAL TREATIES, AND THEIR EFFECT UPON TRADE AND COMMERCE

Customs Tariffs—Dominions' Preferential Tariffs—Maximum and Minimum Tariffs—Countervailing Duties—A Zollverein or Customs Union—Varieties of Protective Tariffs—Tariffs in Operation—Commercial Treaties—Influence of Tariffs on Trade and Commerce.

At the outset, it is desirable to obtain a clear conception of the meaning of the word *Tariff*. Fanciful derivations have been abandoned now, and the word is regarded as derived from the Spanish *tarifa* (and its cognates), meaning a list of prices, or book of rates. In this place it is necessary to limit the connotation of the word, for not every such list of prices and rates will be regarded. We shall not enter into a hotel, or any such establishment, and enquire for its tariff, though the word is used in that connection with a stricter regard for the true meaning than is the case frequently in the use of terms commercially. In this place the word *tariff* will be used of those lists of goods, and the duties of customs (occasionally of excise also) placed upon them, either for importation or exportation, which are so

familiar a feature of international trade. Tariffs to be considered here, therefore, will be those which are incidental to Government, which are concerned with the public revenue, which also affect, sometimes very seriously, the course and volume of trade. It will at once be recognized that in tariffs we approach a subject which is confessedly attracting attention in every modern state, and has a bearing upon commercial interests and methods which cannot be easily overstated. It touches countries, groups, persons, social life in a manner that is quite arresting, while it is on the face of history that, whether in relation to revenue or to trade, the subject has ever, as to-day, been a source of much anxiety to all who have been conscious of the bearing of tariffs on general welfare.

CUSTOMS TARIFFS

Already it has been suggested that customs tariffs have been distinguished by the function which they are designed to discharge. Before the chief distinction is dealt with, it may be well to call attention to the term "Customs", which is used to denote the duties placed on goods exported or imported. The term "Customs" is traced to the twelfth and thirteenth century, and denotes payments which were customary, but gradually became confined to payments or duties levied on imports or exports. It is interesting in contrast to the German word *zoll*, equivalent

to our *toll*, which is used for the duties of a similar nature. In either case the word is used to denote a well-known payment on the movement of goods, and we may proceed to notice the distinction made with regard to such payments, according to the functions which the tariff of which they are items is designed to discharge.

Functions of a Customs Tariff

The functions of a customs tariff may be regarded, chiefly, from two points of view: (1) in re-

gard to revenue, and (2) for the regulation of trade. These functions, of course, are not exclusive, but complementary to one another. Originally, no doubt, the revenue was the prime source of the institution of a tariff. The question is intimately connected with the development of Government in general, and states have grown in a more or less tentative manner as the demands of circumstances required. As force and conquest oftentimes preceded any attempt at organization, short cuts to a revenue have had to be invented. The irregular origin of states required or dictated the easiest method of securing a revenue. The very circumstances were such in most cases that the readiest means were resorted to without any consideration of the merits of methods of raising the money required to pay expenses. In ancient, as in modern times, it was the case that taxes of all kinds were real impositions placed upon subjects, willing or unwilling, by the might of the conqueror, by the force of authority, by those who were little disposed to regard anything else than the will and requirements of the strong. This is seen on every hand and in all ages: the tax is the symbol of power and authority, and the "customs" or "toll", as one method of satisfying the demands of ruling authorities, will be found to be a device, in the first instance, for collecting a public revenue. In the modern world this function of a revenue-getter, either really or ostensibly, has been the prime character of a customs due, of a customs tariff, or tale of such dues.

Nothing is more obvious, however, than that these customs tariffs have been used, and are used to-day, for purposes beyond the securing of public revenue. The methods adopted in most countries to collect the customs revenue were found inevitably to interfere with, and even to deflect, the course and the nature of trade. The jealousy of nations is an older passion than the cultivation of peace and concord. The envy of men of old sought means to hinder or to alter the exchange of material possessions. The pride of isolation has ever struggled against the lust for possessions in other hands and other countries. As trade and intercourse between peoples and nations increased, and as customs came to be exacted on passing commerce, it has been sought also by means of these customs for revenue to regulate such a trade. Such a regulation, if later in origin than the revenue functions of customs duties, has in many lands become the most characteristic and prominent feature of a customs tariff. The step from the institution of a tariff, or toll, upon passing commerce, with all its consequences in rules and regulations, the restriction of the trader's liberty in the interest of revenue, was but short, in time

and idea, to the regulating of that trade for ends other than for revenue. The trade might be encouraged or discouraged, the people with whom it should be transacted might be determined, the very character of the goods allowed to pass the toll barrier might be dictated. Hence we come to the familiar distinction between a customs tariff for revenue only, and a tariff for what are called protective purposes. How often is it observed that in discussion, though not perhaps in operation, that distinction, though quite familiar, is ignored completely! From a commercial point of view it is obvious that the distinction between a revenue tariff and a protective tariff is vital; it may be said that the practical consequences are such as few can trace to their ultimate issues, but are seen by most to be of a highly important character.

Relation of the Two Functions of a Tariff

The relation of these two functions of a tariff is a question of much practical importance. In this place the object is to elucidate what exists, or to trace the real character of tariffs, rather than to ask whether any species of tariff may be justified or advocated. From such a point of view the inter-relation of a tariff for revenue and a tariff for protective or regulative purposes, still more the multiple character of the same tariff, is a matter of obvious practical importance. Can the same tariff produce a revenue and "protect" internal interests? is one form of the enquiry proposed. Whether we regard exports or imports, the maxim, "the more the merrier", appears to be applicable if revenue is considered; the revenue or toll taken will be in direct proportion to the volume and value passing. To use the tariff protectively seems at once to be to restrict either quantity or quality, or in some way to check the flow of commerce, and to direct it into alternative channels for certain ends. It is conceivable that this interference may be of such a degree that it would be difficult to show any limitation of revenue from that source. Conceivable, it may be repeated, but it is not probable that such a light incidence, so well balanced a method, should be adopted. If we turn to regard taxation as a whole it is seen everywhere to be anything but an exact science, and as an art in government it is still in a youthful and somewhat crude state. Tariffs used for protective purposes also, as will be seen further on, are not in practice of such a nicety that consequences are calculated delicately and deliberately and with a sure vision. A revenue may be sought most effectively sometimes, and even usually, by means of customs on articles

which are consumed largely, and consequently will be confined to a narrow area of the imports and exports. The protection required from a customs system of duties is usually, on the other hand, spread over a large area, and in practice the imposition tends to become regardless of revenue in search of protection. Though it is possible to say that these two functions are, nationally, complementary, yet it is found that it is difficult to combine the two functions at the highest efficiency. Some revenue, and an amount of regulation of trade in quantity and quality, are combined daily in practice; but it is not so much a question whether the machine works at all, as whether it works with such results as satisfy and justify the energy applied. In one very important respect, both kinds of tariff, framed for revenue or for protection, partake of a similar character, and that a restrictive one. Every customs tariff is restrictive. To collect revenue, time, place, routine, expense, and so forth conspire to hinder; it is obvious that liberty is not as it would be were the movements of merchandise, in or out, unwatched, or not regulated for revenue purposes. Is not this even more obvious in the working of a tariff for protective purposes? The interference here is not incidental; it is purposeful; and while it reduces the flow of commerce, it reduces revenue also, by the friction probably, but certainly by the expense of working the tariff framed with such a purpose. On the whole, then, while a tariff for protection may be complementary to the revenue, it tends to reduce the area from which that revenue is drawn. This subject, however, may be de-

veloped at length when tariffs of various kinds have been reviewed; but the mutual relation of revenue and protection in the working of tariffs is one of those aspects of the question which cannot be neglected without serious loss.

Various Forms of Customs Tariffs

In treating of the varieties of customs tariffs it will be found difficult to avoid a cross division. This follows from what has just been said respecting the complementary use of tariffs, both for revenue and for protection or regulation of trade. Tariffs have been developed chiefly where the combined objects have been sought; and the endeavour to cope with the ever-varying and widening nature of commerce, as intercourse has multiplied among nations, has led to the invention of many devices by which somewhat contradictory ends might be obviated and served at once. Hence it is not surprising if the terms used in describing varieties of tariffs should be found difficult to classify strictly as between revenue and protective methods. Still, it is suggested that a classification, such as that which follows on those lines will be found useful.

Aspects of a Tariff for Revenue

We may find modifications of a revenue tariff—

- (a) By a preferential arrangement.
- (b) By maximum and minimum rates.
- (c) By countervailing duties (inland taxes).
- (d) By a *Zollverein*.

PREFERENTIAL TARIFFS

That a *preferential* arrangement, such as that now allowed in Canada on certain imports from the United Kingdom, does affect the yield of revenue from the customs duties is evident at once. The same may be said of similar preferences now embodied in tariffs of the Australian Commonwealth, the Dominion of New Zealand, and the Union of South Africa. Amid a great variety of detail as regards the application of the principle to the items on the tariff, there is a similarity of method and an identical object. On a given kind of import a duty at a certain rate is imposed for general application, from which a discount is allowed when the consignment originates within the British Empire, in the above cases. It is usual to represent this as a loss of revenue to the dominion making the modification, but it is also obvious that, according to general experience of the incidence of customs duties, the importer

of such favoured goods himself finds a favour in the lower duty. This is seen at once to be a case in which considerations of revenue are intermixed with a protective tariff. The revenue aspect is seen to be affected by such a modification, but usually it is found that a preferential arrangement becomes necessary or advisable on account of the essentially protective nature of the tariff.

Colonies and Preferential Tariffs

Colonial expansion gives rise to preferential arrangements; it is a device which is suggested largely by political rather than economic considerations or the interests of the revenue. Attempts have been made in various ways thus to eliminate difficulties arising from geographical relations forbidding economic equality. In British dominions, in far-sundered regions, such attempts

are termed *preferential* when questions of the tariff are treated; in the French tariff, as in the case of a possession such as Algeria, or the island of Martinique, an attempt to equalize is made by means of a *détaxe de distance*, which by a peculiar use of the imagination is framed on the supposition that those widely sundered portions of the earth are parts of France; but as that is not really so, an

allowance is made on the customs tariff in respect of the distance from France, and so the produce of such possessions is supposed to enjoy equal opportunities with native produce in the markets of France. In both cases the point of view leading to such modifications of the tariff is protective, though it is true all the time that the revenue is affected.

MAXIMUM AND MINIMUM TARIFFS

The same in general may be said of the device known as maximum and minimum rates. The tariff in most such cases is a complicated and usually a long one; but it becomes more so by the addition of a series of charges on the "maximum and minimum" principle. Not only is there more than one scale of charge on the importation of an article, but frequently the arrangement permits the administrative authority to fix a charge within the indicated maximum and minimum points. To perceive how this must affect the yield in revenue is easy. An instance of the application of this principle may be found in the French tariff which was promulgated in the *Journal Officiel* for the 30th March, 1910, in which Gruyère cheese had imposed upon it an import duty of 35 francs per 100 kilos. on the general tariff, with only 12 francs on the minimum tariff; or again, iron (tinned), of more than $\frac{1}{16}$ of a millimetre in thickness, at 14 francs and 12 francs per kilo. for maximum and minimum rates, respectively. The phrase and terms used in such a case as this are

strictly relevant to the revenue; but it is evident on very slight reflection that the motive of these devices is protective. If revenue only were sought it is not probable that any such devices would be resorted to, nor does experience contradict this. The circumstances requiring the invention of maximum and minimum rates arise from the practical difficulties found in working and applying a protective tariff; but as suggested already it is easily seen how such a device must affect the revenue derivable from a tariff, and the variation of revenue is made much more important and possible by the dispensing power usually allowed to the administering authority. From a revenue point of view a "maximum and minimum" tariff is interesting chiefly as illustrating the difficulty of combining the two objects—securing revenue and affording protection—and the obvious contention for the mastery by the two associated motives. As this maximum and minimum device is adopted in so many tariffs the nature of such a device cannot be studied too closely.

COUNTERVAILING DUTIES

Another device which modifies a revenue tariff is known as countervailing duties, and these duties are imposed usually for reasons differing in character altogether from the preferential and maximum and minimum devices. They are found usually in connection with tariffs which are imposed for revenue only. The tariff of the United Kingdom, which is a tariff for revenue only, illustrates this point. As our customs laws impose heavy duties upon the importation of intoxicating liquors, such as beer and spirits, and upon tobacco, it is also enacted that the excise shall include imposts on inland productions of the same nature. This applies to the case of tobacco now equally with the cases of strong liquors, for of recent years laws have been passed for Ireland (the Act of 1907) and for Scotland (the Act of 1908) empowering cultivators to grow and to make consumable tobacco, a duty being placed upon the tobacco thus produced equal to the customs duty

on imported tobacco. The case of cotton goods, hosiery, and other manufactured goods imported into India is well known. A duty of $3\frac{1}{2}$ per cent is imposed upon them, but a corresponding duty of excise is levied on the products of Indian cotton-mills. Mention of India will also lead to an instance of countervailing duties of a different kind, viz. those imposed by Acts of 1899, 1902, and 1904 on sugar regarded as having been produced by the aid of a bounty; and sugars imported into India from the Argentine Republic, Chile, Denmark, and Russia are now subject to such countervailing duties, varying according to the bounty to be countervailed. That fact does not gainsay the essential character of the Indian tariff, which is for revenue purposes chiefly; and the countervailing duties on sugar in form for revenue purposes are really an extraordinary feature of Indian public finance.

In British history it is well known how at the

opening of the nineteenth century countervailing duties were a feature of the financial adjustments between Great Britain and Ireland. Owing to the different duties chargeable in Ireland, trouble arose in relation to articles of foreign origin, and as to whether they were subject to the British or Irish tariff. The Royal Commission of 1821 reported that the countervailing duties were then for the adjustment of taxation between the two countries rather than for revenue purposes. If an article had been imported into one country, and then transferred to the other, it was necessary to resort to drawbacks and other adjustments according to the tariff in vogue in the latter country. Sir T. J. Pittar, in his celebrated report (Cd. 8706 of 1908) on the Customs, says that the inconvenience to merchants of such a complicated method of collecting the duties was evident, and the danger of fraud on the revenue such as was found impossible to counteract. It might be added that the expense of working these laws must have been considerable, nor could these defects be avoided until the British and Irish treasuries were united, a union which was initiated in 1816; but these countervailing devices were not adjusted in a substantial manner until 1824. The countervailing tariff of the United Kingdom in 1816-7, at the union of the treasuries, was a long one. It touched a considerable variety of articles, made a special feature of providing an excise duty on articles which paid a customs duty on import, showed a differential duty in many

cases in Ireland, and hence duties of excise were also "drawbacks" on exportation to Ireland. The "drawback" was then a very important feature of the tariff, for the imposts being so many, the return of duty, or drawback, became quite a common feature of clearances at the custom house.

Differential Duties

These last remarks remind us also of differential duties, which affected revenue very seriously, and were at the time referred to by no means few as between Great Britain and Ireland. They are identified chiefly with a protective tariff; and the British and Irish tariffs of that day were of that character; though a differentiation of duty in a tariff for revenue only is quite conceivable, such as the present British tariff, which differentiates by omitting Ireland from payment of the inland taxes on land (1692), on inhabited houses, and on passengers on railways. The present customs tariff, strictly regarded, makes no distinction now in duties on articles imported (or exported) into England, Scotland, or Ireland. But these differential duties on spirits were imposed as regards Ireland until 1853, and as regards Scotland until 1857. By that time the protective character of the British tariff was strongly on the wane; and differential duties, even more than countervailing duties, are identified much more with protection than with revenue purposes.

A ZOLLVEREIN OR CUSTOMS UNION

The German Zollverein

A Zollverein, or Customs Union, is a well-known arrangement affecting revenue. The German Zollverein is still the best instance of such an arrangement, and as the system of customs adopted in so important an area it attracts much attention. That Zollverein will be understood best from its history in connection with its object. At the opening of the nineteenth century the Germanic States were a welter of independent powers, each one levying duties upon the transit of goods from one to another. Prussia was forging into a leading place in the Germanic Confederation which was formed in 1815, though Austria was a member, and led. The difficulties of transport in relation to customs duties had always been felt acutely; and in 1828 a convention made between Prussia and the Grand Duchy of Hesse led other states to join in that united convention, and to the formation of the Zollverein. That movement was not completed as we see it to-day until 1871, when Alsace-Lorraine

was introduced into the Union after the Franco-Prussian War. It should be observed that Austria did not join the German Zollverein; and it is also worth observing that the little independent State of Luxemburg is now within that Zollverein. One of the features of chief interest, therefore, in the organization and scope of a Zollverein is that its area may pass beyond the political boundary of a state, and may, and does, include a power which is quite independent of the others in the Union for every other purpose than revenue. There are several other instances of this feature in Europe; as Monaco with France. San Marino with Italy, and Lichtenstein with Austria, for revenue purposes. One of the purposes and objects, the prime function of a Zollverein, as in the German case, is to facilitate the transactions of commerce within its limits. Everywhere within the boundary of the Zollverein we have perfect freedom from fiscal interference with the course of trade. But with this freedom of commercial intercourse, within the union, is combined an attempt to levy toll upon

all goods entering within its zone. Freedom for the members of the union; a tax on all who are non-members—that appears to be the idea with which it was founded; and it appears to embody theories of incidence for customs duties which are not accepted by very many. In this place, however, the object is to afford a description of this method of raising revenue within a zone formed by a union of states. An economic area is defined, and a tariff of some kind is used, to secure revenue, and to secure some advantage to the dwellers within that zone.

A Zollverein and a Political Union

A distinction should be drawn between a Zollverein of the German kind and the case of united states, such as those of North America or those of the Swiss Cantons. In those cases the forerunner is a political union, and the united taxation, and especially the tariff at the ports, follows upon the political arrangement. In the case of a Zollverein, as we have seen, political limits may be maintained, and yet an independent state becomes a member of a Zollverein which overleaps political boundaries. The difference is more than a difference of structure, goes beyond the interest which a student takes in historical matters and institutions; it is, in the case of a Zollverein, of the most practical character, and depends upon a clear and exclusive regard for fiscal and commercial matters.

The Motif of a Zollverein

Fiscal and commercial motif is found involved in the warp and woof of a Zollverein. Here again, the name is concerned with revenue only; but it is impossible to embody the ideas of those who formed this tariff union without regarding all outside the union as commercial opponents to be dealt with in a protectionist spirit. It is usual to point out that from 1833—when the Zollverein already included several of the German states of greatest consequence, such as Prussia, Wurtemberg, and Bavaria—to 1879 the duties imposed at the limits of the union were of a moderate kind. Prince Bismarck at the last-given date accepted the National Economy of List, and departed from those moderate duties with the idea of fostering national industries by means of the tariff; and it is still the fact that the very conception of a Zollverein involves much more than a method of collecting a revenue. The economic world beyond the Zollverein is a separate, and even an opposing,

entity. In support of this is the subsequent history and present practice within the Zollverein; the seed was sown in the idea, and all that was required to make it germinate was time and the demands of its sowers. As we shall see farther on, this device to furnish revenue for the associated states is at present used to further protective ends; and within the Zollverein are done some things which, so far as revenue goes, only tend to bring it to the lowest point.

A Zollverein and British Possessions

Some remarks made already, distinguishing a Zollverein from a case such as that of the United States of America, would seem to apply also to some instances within the British possessions in various parts. The political is more prominent in these later cases than in the Zollverein. It is true that within the German Zollverein political ends are served; but it is also quite clear that in form, and probably in purpose, the earlier idea was to serve commercial and revenue purposes. When we look to Australia, to South Africa, and to Canada, we do, indeed, see cases where states which have been independent politically join in a common fiscal, a common customs system, but in each case as part of a great political unification. The latest instances of Australasia and South Africa are pre-eminently of that kind. Nor is it of small practical importance to note how the difference of political circumstance throws a light upon the limit and sphere of the Zollverein. The Zollverein need not be under one political head; it is a purely fiscal and commercial arrangement. The South African Union is the union of contiguous states subject to the same sovereign, and while within its own limits it promotes ends and objects similar to those of the Zollverein, it does not, and cannot, unite with the whole of that sovereign's realms for geographical reasons. The space between the related states is not available for the desiderated union. These facts and history make it important that the Zollverein idea and practice should be fully understood to-day. The distinctions which should be made might prove to be of much practical importance. One of the chief features of a Zollverein is that the area in which it obtains is a connected and inseparable whole, within which commerce is free from any restriction and interference of any kind on account of fiscal matters. Only in such conditions can it be reproduced in its essential features.

VARIETIES OF PROTECTIVE TARIFFS

So far tariffs for revenue have been considered, and modifications or varieties of such tariffs. It is necessary to proceed to consider some varieties of tariffs which are protective in character and conception. Among such protective tariffs we may notice the following:—

- (a) Retaliatory.
- (b) Reciprocal.
- (c) Nurses of industry.
- (d) Bounties.
- (e) Navigation Acts: shipping.

In these cases, of course, one motive animates all the varieties: it is to afford protection or aid to commerce and industry, though the method is a fiscal one. This leading idea will be elucidated as the various devices adopted are passed under review.

A Retaliatory Tariff

When we hear of a retaliatory tariff it is evident at once that a tariff is being used for something beyond the ordinary purposes of a tariff, the purposes connoted by the term. Nor is it difficult to imagine how very different the conditions are from those in which a tariff for revenue only is framed. For revenue purposes only the chief concern is for the country in which the tariff is to be enforced: as soon as retaliation is entertained in the framing, some country or countries other than the enactor are brought into the matter, and are so regarded as to change the character of the tariff. That character is affected vitally by the retaliatory purposes which are to be served. A tariff for revenue, though it is a political instrument, and is an incident of political rule, is not conceived for application to other political areas. Though it is true that any kind of customs tariff affects other political areas, a tariff for revenue only is an internal measure; a retaliatory tariff has an external motive added to the rest, and that regard for external objects and conditions tends to become regnant in such a tariff. In the case of a tariff for revenue only, though it is bound in any case to involve both fiscal and commercial matters, the emphasis is upon the fiscal aspect. In the case of a retaliatory tariff the outlook is a commercial one; but the muse of commerce has a heavy brow, and there is thunder in the air.

Methods of Retaliation

The very term retaliation translates us into a different climate, and not only do we leave the raising of revenue in a subordinate position, but,

passion entering, there is danger lest both revenue and commerce should be overlooked altogether. Unfortunately the methods adopted in a retaliatory tariff are only too well known. Different countries imagine that their commercial interests are mutually destructive. From one side or the other comes an attempt by means of a customs tariff to prevent goods from the obnoxious country of area from entering the country framing the tariff. That penalized country in turn seeks to defend itself from the effect of the tariff in question by using similar means to hinder the natural method of the exchange of commodities. The word "war" is often used to describe the position and condition of affairs. How very suggestive such an epithet is we may consider later; but it is already evident that retaliation does not appear to be an approved commercial method. Indeed, retaliation is essentially anti-commercial, and is adopted frankly to hinder, and not to aid, commercial intercourse. In this place the chief concern is to review a tariff used for such purposes as retaliation. It is, in truth, a retaliation for a certain use of a tariff which is regarded as inimical by the other party. From no device known to the protective armourers do we get so thoroughly cold a weapon; it may prove to be anything but sharp and effective, but its character cannot be mistaken: it is an attempt to force commerce by a fiscal sword. Happily this use of a tariff is not of common application, for like all such methods it is wasteful and exhausting, and requires an exchange into other methods of intercourse at an early date. Let it suffice for the present, then, to liken the use of a retaliatory tariff to entering a new and stifling climate. Few will care to agree with Bismarck when, in a speech of May 2, 1879, he said: "Trade between nations is to the advantage of one party over another". On that occasion he was neither correct nor wise, but the idea of benefiting by hurting another country's trade is one of those which has given birth to retaliatory tariffs.

A Reciprocal Tariff

A reciprocal tariff differs from a retaliatory as a storm from a breeze. They may come from the same quarter, but the one is not so destructive as the other. The reciprocal tariff is essentially protective in character. In all these varieties the test of the tariff must be found with reference to a revenue, and, like the retaliatory, so far as a tariff is reciprocal it is not for revenue, but for protective purposes. The basis of both is a tariff for

protective or non-revenue purposes, and each is a modification of a normal scale of customs rates. The retaliatory endeavours to accomplish an end by aggravating the incidence of a tariff; but the reciprocal enters into a bargain, the essence of which is the reduction of rates on the one side and the other. In consideration of an allowance on such goods by one party, the other party contracts to make a similar allowance in its own tariff. These allowances, or even the omission of certain articles from a tariff, need not be, and in some cases, of course, cannot be, upon the same class of goods. The reciprocal tariff is based upon any kind of concession made by one party to the other. As was seen already in some of the modifications of a tariff which have been considered, the reciprocal tariff is resorted to by those who accept a view of the incidence of import duties which is not commended by economists generally. That view appears to be that if a country admits goods free of toll or tariff, or admits them with a charge much lower than a charge made by a country exchanging commodities with it, that country is at a disadvantage. To appraise such a view properly it would be necessary to discuss a preliminary question of great moment, viz. the legitimate use of a tariff, and that in connection with another of equal importance, the nature of commerce and international exchange of commodities. Those who use the term reciprocal, or rather resort to reciprocal tariffs, are committed to a regulative and protective use of tariffs, and as with other devices of the same character, reciprocity tends to emphasize the political rather than the economic character of the business in hand. It is true that fiscal means are used, but the motive underlying them is more political than anything else.

A Tariff Nursing Industry

A tariff used as a nurse of industry assumes the character of a protective instrument frankly. There is a baby, a certain industry, which requires nursing because of its youth and weakness; and a tariff is resorted to for nursing purposes. This is a step beyond retaliation and reciprocity. Those are on the purely commercial plane, in form at any rate, though not without other relations; but a tariff nursing a new industry is frankly engaged in helping industry. As for revenue it is abandoned wholly, and the method of imposing a tariff is adopted for a purpose quite foreign to its origin. In relation to a tariff it is a very extraordinary extension of its use. A tariff undoubtedly was designed as a revenue-getting instrument, but in this case there is an absence of any such purpose, which is admitted quite frankly. So far as a tariff

is imposed in order to protect an industry at a tender age, and in a weak condition, revenue seems beyond the ken of those imposing it; but it is observed constantly that a tariff for this purpose does bring in a certain amount of revenue. That enables us to realize the form in which aid is afforded to an industry. The nursing cannot walk as well or so far as the adult; even the adult can come across the sea, it may be, and still overtake and pass the baby on its way. Hence the task attempted. Let a barrier be placed at the import of goods, let them be prevented from coming over that barrier if possible; but if they do come over the barrier it shall be after a special expenditure of energy. In short, a new industry is thus "protected" from the competition of older industries; whether the game is worth the candle is a question to be decided by the citizens of a country resorting to such a device. It is evident that by the very terms of the "protection" afforded to the new industry the price of the commodity so nursed must be increased to the nursing country, or rather to the individual consumers within that maternal country. It is ever a question of country in these protective devices; and it is so when a country protects a new industry, nurses a new kind of production at great cost. An economic view does not convince the advocate of a tariff as a nurse of industry; he is ever moved by a political idea, when it is not merely personal.

Bounties

Bounties are a device which may be discussed in connection with a tariff; for though they are not necessarily given in the form of a tax, they are usually a weapon from the same armoury as the protective tariff. A bounty given by a government has been called "a negative tax". That of course applies principally to such a bounty when afforded among the provisions of a tariff. A bounty may be regarded as any addition received by a producer to the market price of an article. Such a bounty is sometimes afforded by a government apart from a tariff altogether; it may be a sum of money paid out of public funds. In this place bounties which are incidental to a tariff are much more interesting, as they certainly prove how far-reaching tariffs may be made, and by what subtle methods they have been manipulated. A bounty which is given directly in money has been defended even by those who are offended by tariffs. By some it is suggested that bounties should be used as an alternative to a tariff in favour of infant industries, but that in such a case they should always be of a temporary and terminable character. Others object to these money

bounties as fundamentally subject to the same defect as a tariff for new industries, viz. that they may be regarded as props to an industry which is not profitable. There are still others who point out that a bounty in money may be gauged by the amount, and so be the least objectionable form of state aid. This form of bounty shades off into public assistance toward experiments in projects of promising utility.

Bounties Incidental to a Tariff

The bounties incidental to a tariff are upon the whole much more important, and certainly require greater attention for a trustworthy judgment. Bounties have been classified into (1) intentional, (2) unintentional, and (3) disguised bounties. Bounties in connection with tariffs are either of the second or third character, and it is usually difficult to maintain the distinction sought to be made between them. That difficulty arises frequently because the reasons given for the step about to be taken are not the whole, nor reach near to completeness, with the result that consequences differ much from avowed anticipation. There is no difficulty in the case of a bounty such as that allowed in France to shipping either built or owned in France, for it is avowed in the preferential rate allowed for in the tariff on goods carried in French bottoms. The case of bounties, such as that on sugar made from beet, granted in several European countries, which was the subject of the Brussels Convention of 1902, is much more subtle, and was judged by the consequences of the system of tariffs adopted. There might be some cavilling about intention, especially at the outset of that system; there could be no question of the result in the operation of that tariff. It was a bounty (of various grades of assistance) on the exportation of sugar. The design was fairly clear, the result was convincing, but the method was most confusing. Before that system of bounties on the export of sugar was virtually ended by the Brussels Convention, competing countries had built up a system of bounties which were acknowledged to be burdensome, and even ruinous to the giver, nor was the largest giver the most successful in the market. The manipulation of the tariff by which they were granted was, however, one of the most interesting phases of the bounty system. The amount granted for exportation had to be balanced by an addition on inland consumption. We thus find that the more indirect grant of bounties by means of a tariff not only adds complications in administration, such as warehousing, drawbacks, &c., but also fails in the one strong point of known cost by which direct bounties are recommended

to some. This defect must be regarded as very serious, and was regarded at the Brussels Conference as very serious by the countries bestowing bounties on the export of sugar; for it was recognized as embarrassing that the encouragement to sugar had become a burden, the weight of which had not been foreseen. That, however, is a defect inherent in every tariff, for it is not possible to anticipate many consequences of such a fiscal system, which is probably more subtle in its results than any known to experience.

A Negative Tax

As words and phrases become current coin very often, a word or two may be added on a bounty as "a negative tax". The chief point to observe is that it is, or that it involves, a tax. Whether a bounty be of the direct or incidental character, in order to pay, a revenue must be found, and a revenue is usually found by means of taxation. The grant of the bounty reduces the public fund, and therefore it is vain to seek comfort in the negative character of a bounty regarded as a tax. The sum required to pay the encouragement by means of a bounty must come indirectly from the general taxation. Though denominated a "bounty", whether it be direct or indirect, it does not, like the "gentle rain", come down from heaven, but has to be drawn in some way, gentle or other, from the taxpayer. Tariffs, therefore, which confer a bounty on any industry should be regarded from the taxpayers' standpoint as well as from that of the revenue.

Navigation Acts and Shipping

A well-known form of tariff is that which is used to encourage shipping, and is not unrelated to the Navigation Acts, so well known to practice and history. Here also we come upon one of the features of commercial treaties of which it will be necessary to treat farther on. The Navigation Acts were a feature of English legislation going back to early times in our history, and continued down to so recent a date as 1850, when they were swept off after much contention. It will suffice to give an indication of the chief provisions of some of those Acts. Colonies, or plantations as they were called, were regarded chiefly as fields cultivated for the advantage of the home country. Consequently, it was prohibited to import or export anything except in English ships, with English commanders, and with a crew of Englishmen in large proportion. Foreigners were not allowed to become merchants in such plantations. Goods from the plantations were not to be brought into-

England, as the Act of 1660 had it, "but in such ships as do truly belong to English people", and the ships must be navigated by Englishmen. The coasting trade was restricted wholly to English owners. The products of the plantations, or the chief of them, were to be shipped only to England, Ireland, or other plantations. It was inevitable that in the course of time great irritation should be caused by such restrictive measures. The loss of the United States led to a concession to American ships, but that in turn made the West Indies jealous. The French war, and the Napoleonic decrees, brought us a taste of restriction in Europe on trade in British bottoms. The last Navigation Act was that of 1845. It was drawn on the old lines, but the date shows that it was enacted after Huskisson and Peel had begun to free British commerce from the restrictions of a tariff, and the bearing of the Navigation Acts became more irksome. The supporters of the Acts, on the other hand, were in the habit of asserting that they forced men to become sailors, and so aided England's naval supremacy. They also held that the commercial greatness of England was founded on the Navigation Acts. The extraordinary expansion of British tonnage, as well as commerce generally, since that date has been remarkable. The laws which still attempt to restrain the freedom of shipping in various countries are conceived from the standpoint of the old Navigation Acts. Exclusive opportunities for each country's ships are sought, and the coasting trade is a strict monopoly. The tariff is frequently used for that purpose, in addition to substantive laws, and in some cases bounties are given to encourage native bottoms, as in France to-day.

The "Payne Tariff" and Shipping

One of the most recent instances of the tariff used as an aid to native shipping is found in the "Payne Tariff" of the United States of America, of August, 1908. Sections 15, 16, and 17 provide that a discriminating duty of 10 per cent, in addition to other duties, shall be levied on goods entering the United States in vessels not of the United States, or entering through a contiguous country; that no goods shall be imported to the United States except in native bottoms, or in such foreign vessels as belong wholly to subjects of the country where the goods had their origin. These regulations do not apply to goods from countries in treaty with the United States; and further, they do not apply to the vessels of a country which does not maintain similar regulations against the United States. It is, therefore, evident that these sections of the Payne Tariff do not apply to Bri-

tish vessels; but, on the other hand, the Act exemplifies the use of the tariff in the restrictive spirit of the Navigation Acts. "Clearly, in framing the clauses in question, the object was, not to collect a revenue, but to use the tariff for regulative purposes, and to "encourage the industries of the United States".

Trade Marks and Prohibited Articles

This may be the place to refer to a concomitant of such provisions as those just referred to, such as the trade marks and post-office regulations applicable to goods which are on the tariff for duty. The Payne law of the United States may again be cited on marks, which are treated in Sections 7 and 8. These require that all articles imported, which are capable of being marked, stamped, &c., shall be marked, &c., as indelibly and permanently as the article will permit. Then follows this substantive clause:—

"All packages containing imported articles shall be marked, stamped, branded, or labelled so as to indicate legibly and plainly, in English words, the country of origin and quantity of their contents, and until marked in accordance with the directions prescribed in this section, no articles or packages shall be delivered to the importer."

Marks thus prescribed are not found in protective tariffs exclusively, nor are prescribed trade marks, marks of origin, stamps, &c., to be regarded as necessarily of a "protective" nature, such as is familiarly known in connection with tariffs. In the United Kingdom there are at this moment laws prescribing such marks of origin, but they are in part, but not wholly, required to check dishonesty rather than to exclude goods as non-British. In such a case as that of the United States the case is plainly different. They are an inevitable feature of a "protective" law, such as the Payne tariff. They find a fitting and a natural place in such a tariff, and any estimate of such tariffs must take them into account as one of the implications of a system which is inimical to a general import trade. Whatever may be the verdict, it is clear that marks are required for purposes beyond that of the true function of a tariff, viz. for revenue purposes.

The postal regulations, to which reference has been made, are one of the minor consequences of a tariff. They are framed to meet the case of dutiable articles which are forwarded through the post, and are common to tariffs for revenue as well as those which are of a more protective character. (See Part I, Chapter VII.)

Tariffs and Prohibition

Those who study tariffs, and have to deal with goods affected by them in the import trade, will find it advisable to become acquainted with that important list of goods prohibited—found in connection with most tariffs. The British customs and other laws forbid the importation of certain books, which infringe copyright; coin, which is false, or counterfeit, or imitation: essences of coffee, chicory, tea, or tobacco, or any admixture

of them; indecent or obscene prints, paintings, books, &c.; certain cut and compressed tobacco and sweetened tobacco; articles illegally marked; articles marked to simulate a guarantee by the Government; clocks and watches purporting to be marked so as to simulate any British assay, or to be manufactured in the United Kingdom; infected cattle; goods made in houses of correction; fictitious stamps; any advertisement of a lottery or draw; and sugar declared to be bountied, by the decision of the Brussels Commission, 1903.

TARIFFS IN OPERATION

Having considered the various kinds of tariffs employed, whether for revenue or protection, and indicated the standpoint from which each kind appears to be conceived, it will be both of interest and importance to give some account of tariffs in operation. This has been done already on some specific points; but it is here proposed to give some account of the tariff in operation as a whole in: (a) the United Kingdom and its dependencies; (b) France; (c) Germany (the Zollverein); and (d) the United States of America.

The United Kingdom: Former Tariffs

The Customs tariff of the United Kingdom is one of the simplest. To appreciate the details of this tariff it should be studied historically, as it still shows some old material, which is a remnant of a policy other than that of to-day. That word "policy" may be taken as the key to the tariffs, and no tariff in operation exhibits that fact more clearly than the customs tariff of the United Kingdom. First of all, it is applicable in almost every particular to the whole of the kingdom; and though the Isle of Man is legislatively independent in most matters, yet in matters of customs duties it is usually assimilated to the United Kingdom. The policy of the British tariff is now to raise revenue only. That is not found to be true of every item of the tariff; but it is justified as an indication of the policy inspiring the tariff. Some strictures have been passed upon the state of the import duties on cocoa; and it is the case that, as they stand, they do not conform to a strict tariff for revenue. The rough cocoa is charged with 1*d.* per pound, but when ground or prepared cocoa is imported it is subject to 2*d.* per pound. Such a discrimination does undoubtedly work so as to give support to the inland manufacturer, who then competes in the British market advantageously, but to the disadvantage, in price, of the consumer. Other instances of dis-

crimination between home and imported, or between raw and manufactured, imports might be adduced from the British tariff; such was the attempt to do so in the case of tobacco leaf and stripped tobacco in 1904. These exceptions are, however, of comparatively minor importance.

The history of the British tariff casts a light upon the policy which is more convincing, perhaps, than an examination of its details; but both will be given as complementary, and as informative of the whole. It will be recollected how that from the second quarter of the nineteenth century to 1860, and even to the year 1890 in some special cases, Chancellors of the Exchequer were engaged at opportune intervals in simplifying the tariff. From the close of the French revolutionary war in 1815 to 1823, when Huskisson became President of the Board of Trade, the British customs tariff was a very heavy one: it was so afterwards though some imposts were reduced. When the Select Committee on Import Duties was pursuing its quest in 1840 it found 862 articles on the list. The summary given by the committee in its report of 1841 is illuminating, and probably exercised a decisive influence upon subsequent events. Mr. Porter of the Board of Trade gave the following result, as shown by the revenue for the year ending January, 1840:—

Of the Customs Revenue amounting to £22,962,610,—		
17 articles, each producing more than		
£100,000, produced 94½ per cent,		
or		= £21,700,630
29 articles produced 3½ per cent, or =		898,661
These 46 articles produced 98 per		
cent, or		= £22,599,291
All other articles, 144 in number,		
produced 1½ per cent, or . . . =		363,319
Total =		<u>£22,962,610</u>

Note.—It was shown at the same time that 190 articles, exclusive of about £80,000, collected upon 531 other articles, and excluding a drawback of £5398 on 147 articles, produced the above total revenue from customs.

The Select Committee remarks upon Mr. Porter's summary, as follows: "It will be seen that 17 articles, affording the largest amount of Customs Revenue, are articles of the first necessity and importance to the community; viz. sugar, tea, tobacco, wine, spirits, timber, corn, coffee, butter, currants, tallow, seeds, raisins, cheese, cotton wool, sheep's wool, and silk manufactures; and that the interests of the Public Revenue have been by no means the primary consideration in levying the Import Duties, inasmuch as competing foreign produce is in some instances excluded, and in others checked, by high differential duties, levied for the protection of British colonial interests; and, in many cases, such differential duties do not answer the object proposed, for it appears, in the case of foreign clayed sugars, where it was obviously intended that they should be excluded from the British market, that the monopoly granted to British colonial sugars has so enormously raised the prices in our market, that they have lately come into consumption, though charged with a duty of 63s. per cwt., while our plantation sugars pay only 24s."

That table, and the paragraph from the committee's report, afford a clue to the character and the method of the British tariff in 1840. It affords a contrast when the present tariff is brought into juxtaposition to the tariff of 1840. In that year a large number of articles were found on the tariff, though not as many by some hundreds as were dutiable a few years previously. Of the articles thus scheduled and subject to duty only some 46 brought in an amount of any substance, and 17 only of them brought 94½ per cent of the total. This last number and its proportionate yield should be riveted in the memory: it has a direct connection with subsequent history and action. It is seen also how the tariff was till then frankly of a protective character, involving differential duties framed to afford protection to colonial produce. Those differential duties were found to be of doubtful efficiency: they dammed the stream of commerce temporarily, but afterwards that stream had its revenge by overflowing the banks and barriers. In this place it is only necessary to give an indication of the position in 1840, without comment.

The Present Customs Tariff of the United Kingdom

On the customs list for the United Kingdom there are some 20 articles. These, it should be explained, chiefly because of the sugar duty, which was re-imposed in 1901, cause the number of rates on the customs list to amount to nearly

100. The customs tariff is concentrated upon a few classes of articles, such as beer, spirits, and wine, on tea, tobacco, coffee, cocoa, dried fruits, and sugar (with articles into which sugar enters); and on one or two articles, such as playing cards and patent medicines, which last duties are of the nature of countervailing duties on account of excise charges imposed inland. The policy of 1840 and earlier has been reversed; that adopted is the very opposite, and has been from the year 1860, when the present policy came into full fruition. Lord Morley of Blackburn, in his *Life of Gladstone*,¹ reviewing the spirit of Gladstone's finance, and of the operations which had been described, says: "His general policy was simple. When great expenditure demanded large revenue he raised his money by high income tax, and high rates of duty on a few articles, neither absolute necessities of life nor raw materials of manufacture." The customs system of the United Kingdom, with some variations, it is true, is still on the basis thus indicated as having been the Gladstonian practice. "High rates of duty on a few articles, neither absolute necessities of life nor raw materials of manufacture," that is a reversal of the practice of 1840 depicted in the extracts given above.

Purging the Tariff

Since the famous budgets of 1860 and 1861, down through the strenuous fifty years, the practice of looking for revenue to a few articles highly rated and largely consumed has been justified by results. The revenue has not failed, but has shown a vigour and elasticity which have been admired very widely. Nor can it be overlooked that the collection of that revenue and its relation to commercial movement and action have been regarded as highly favourable from its simplicity. As compared with such a customs tariff as that of 1840 it should be observed not only that the present tariff differs in method, but that the method is symptomatic of a different object. In 1840, and for some years subsequently, the object was to protect either home or colonial production, and the method adopted was the inscription of a great many classes, and every description of articles, upon the tariff. There was a fiscal net set, but the object was, not revenue only, but to prevent many things from passing the meshes. As it was a fiscal method, the result was not only disappointing, but verging on the absurd, as so many items on the list were productive of so little, while some were productive of a loss of revenue. We see also that the Select Committee of 1840 was of opinion

¹ Morley's *Life of Gladstone*, vol. II, p. 58

that the protective objects were not attained successfully. As the contrast with the tariff of 1840 suggests readily, the present British tariff has revenue and, speaking broadly, revenue only as an object. The few articles highly rated, but some of them rated at much lower rates than fifty years ago, yield quotas of revenue which must be regarded as large and steady even when the greatly increased population is allowed for. The yield of the customs for a recent year was just over £32,000,000.

A Simple Tariff

Though it was remarked above that the British tariff is one of the simplest, that statement must be strictly taken in its comparative sense. As compared with other tariffs noticed below it is simple; but regarded apart it enters far into national affairs and national life, and especially have recent additions to the tariff modified that simplicity very seriously. Reference may be made to the sugar duties now imposed, though they have been made lighter since 1907, as illustrating this. The sugar duty necessitates the addition of about 75 rates to the customs tariff, it involves the subjection of all imports containing sugar to the attention of our customs officers. Regarded, too, in conjunction with our duties on liquors and on tobacco, the whole is seen to present a maze which is intelligible to but few beyond the public servants. To this the Budget of 1909-10 added a few items by the imposition of duties upon motor oils.

The Incidence of a Tariff

The comparative simplicity of the British tariff now in operation, the fact that it is imposed for revenue purposes only, should not be allowed to blind us to its far-reaching character and effect upon national life. It spreads itself over the whole population, and affects every household, though many such households do not stay to think of it. This is seen quite clearly from the fact that it touches articles of wide and most general consumption. When, once again, we enumerate tea, coffee, cocoa, chicory, and dried fruits as on the list; when sugar is seen upon it, and we observe how many articles of consumption thus become subject to duty; when again we reflect how tobacco, beer (though as an import this is not a large business), potable and other spirits, and wine, are on the tariff, together with all articles into which spirits enter in a substantial or high degree, we must recognize that even yet this tariff penetrates far into the national life, enters every house, is so contrived that scarcely any citizen escapes a

contribution to the revenue. The result, that £32,000,000 of revenue, is a large sum. Averages are fallacious at best; but this sum equals about 13s. 4d. per head of the population. This average, however, assumes an equal consumption by every citizen, which is absurd, and also enables us to see how imperfect an instrument, even for purely revenue purposes, such a tariff is. It should be recollected also that the tariff should be regarded in relation to inland excise. As has been shown already, especially in relation to tobacco and intoxicating liquors, the duties of excise and customs are made complementary the one to the other, and countervailing duties are placed upon any article which is found on the customs tariff or the excise list. So an attempt is made to maintain the revenue character of the British tariff, and made successfully on the whole, though in the adjustments, such as those on spirits, it is doubtful whether a due balance has been secured.

The Tariff in British Dominions: India

The Indian and Colonial tariffs differ in type from the British tariff. Several of these may be picked out for notice here. The customs tariff of India is upon the whole a tariff for revenue, but has many features of detail in which it differs considerably from the British tariff. Some general features there are which proceed on the British lines, such as the goods admitted free, the prohibitions against false trade marks, and the requirement that piece goods shall have their length stamped upon them. The free list comprises goods for the Government, for the military, instruments used by passengers themselves, and samples of goods not intended for sale. For these details reference should be made by exporters and importers to the official lists. There is a system of drawbacks also, and seven-eighths of the duty may be allowed within two years of importation on goods which may be identified, the whole of the duty paid being allowed on wine and spirits for the Navy.

The system of duties, differing from the British tariff, is spread over a considerable number of articles. In levying duties also the Indian Government fixes the tariff values of goods subject to the duties, and these values are revised from time to time. This tariff valuation, which may be taken as based on the importers' documents, does not apply to many imports, which are then charged *ad valorem*. The duties are classed into two lists—the general and the special imports. There is a countervailing duty on bounty-fed sugar, in addition to the 5 per cent *ad valorem*. On rice

there is an export duty of 3 annas per maund of 82½ lb. There is also a small export duty on all Indian tea sent beyond the Indian limits.

India's Tariff: General List

The articles on the General Import Duty list in India are classed under 78 heads, but several of these are free of duty, such as horses and other animals, and grain and pulse. Not a few sub-heads under each class are also free of duty, as hops, for instance, and special pieces of machinery to be fitted into working machinery. The material for railways also comes under this free head, when it complies with the provisions of the Indian Railways Act, 1890. So are ships and other vessels for inland and harbour navigation. Of some other free numbers it will be necessary to speak further on; but the details may be seen in the official tariff. Coal is free.

Heads of articles on the General Import Duty list are: Coffee; fruits and vegetables; mineral and aerated waters; provisions, oilmen's stores, and groceries; spices; chemical products and preparations; drugs, medicines, and narcotics; dyeing and tanning materials; metals and manufactures of metals; oils; and a large variety of other articles both manufactured and otherwise, including apparel; carriages; cotton piece goods, hosiery, and other manufactured cotton goods; hemp and hempen goods; malt; paints and colours; paper; perfumery; silk and silken goods; soap; stationery; umbrellas; wood; woollen goods and so forth. Such an imperfect enumeration will show that the net is cast very widely; it will be evident also from the next section how this is connected with the rate of duty to be collected.

In this general section there is, in general, a duty of 5 per cent on the import price charged. That is the general rate of charge to be presumed in the Indian customs tariff. The list contains several other rates, however, on specified articles. Vinegar in casks, for instance, is charged only 2½ per cent, whereas vinegar "not in casks" is at the general rate. On a large variety of iron goods, such as angle, T, and other kinds, hoops, nails, sheets, plate, bars, pipes, rails, chairs, and steel goods of a similar kind to iron, only 1 per cent is charged; but tin cans containing petroleum are charged 5 per cent, apart from the oil, which is charged separately, at a special rate. Then we come to the important cases of cotton and cotton goods, and wool and woollen goods, and in each case the raw material is free, while 5 per cent is charged on woollen goods, and 3½ per cent cotton goods, hosiery, &c. (To this last duty on cotton goods there is a countervailing inland duty.) These

5-per-cent duties on cotton and woollen goods should be distinguished carefully from protective imposts: they are for revenue purposes; but in their degree they do act protectively.

India's Tariff: Special Duty List

The Special Import Duty list is a very important one, and is constructed on the principle of charging specific duties.

On the Special Import Duty list we find: Arms, ammunition, and military stores; liquors, including ale, beer, porter, cider, liqueurs, and sweetened spirits, &c., non-potable spirits of all sorts; and twines; opium; salt; salted fish; silver bullion or coin (except Government of India coin); and tobacco. The duties on the special list are heavy and important. On arms and ammunition "persons entitled to possess them" will not be charged more than 10 per cent, and may have any duty beyond that paid on the purchase for their own use refunded. Otherwise arms are charged from Rs2½ to Rs50 each for duty. There are important exemptions under this head, especially for the equipment of regular officers. Malt liquors are charged at 3 annas a gallon; liqueurs at Rs13; non-potable spirits, 5 per cent; spirits for drugs at Rs7, 13 annas; and other sorts at Rs9, 6 annas per gallon. Opium is charged at Rs24 per ser of 80 tolas; salt at 1 rupee per maund (82½ lb.); tobacco—unmanufactured at Rs1½, manufactured at Rs1, 10 annas; and cigars at Rs2½. It is clear that the Indian customs tariff is of the revenue type, though it is very different from the British in the system of duties. (See also Chapter VI of this Part.)

The Australian Customs Tariff

The Australian customs tariff of 1908 is of a very different nature; it is frankly protective, though with special modifications. Like the British and Indian tariffs it has its free list and its prohibited list. There is also a drawback on the actual quantity of imported material used in the manufacture of exported articles. The United Kingdom is placed on a preferential basis in relation to certain goods. This preference is so framed that the rate charged on British goods shall be a little lower than the general rate—cotton yarn of British origin is charged at 10, while other yarns pay 15 per cent. In other cases a British article, such as gas meters, is on the free list, whereas those of other origins will be charged 5 per cent or some other low rate. There are elaborate directions how to estimate labour entering into the production of British goods. Certificates of origin are, there-

fore, of much importance. Under the Industries Preservation Acts of 1906 and 1908 importation of goods may be prohibited or restricted, if a Comptroller of Customs or a Judge of the High Court thinks these goods "enter into unfair competition with Australian industries, the preservation of which is advantageous to the Commonwealth, in the interests of producers, workers, and consumers". By the South African Preference Act, 1906 (No. 17), the Australian Commonwealth arranged a Reciprocal Agreement with South Africa, in respect to a specified list of articles and rates. Such a departure is, of course, of a very significant character. In the next place, there are some elaborate regulations on trade marks (see the Commerce Act of 1905), under which the Comptroller of Customs is empowered to detain goods, or to forfeit them.

Customs Tariff of the South African Union

The customs tariff of the South African Union of 1906 is framed on the same principles as that of Australia, but with very many variations in classifications and rates. Provision is made for a free list, for a convention with Mozambique, for importations from that coast to the Transvaal and to Swaziland, for a preferential tariff in favour of the United Kingdom (which is also extended to Canada, Australia, and New Zealand), which grants a rebate of about 3 per cent on the general duties. There are conventions of 1906 with Southern and with Northern Nigeria on similar lines. The effect of the whole may be learned best by a few specimens from the list of duties.

In the South African Customs Union list of duties, tools, cutlery, &c., from British sources enter free, but the general tariff charges 3 per cent on them. That is the treatment accorded to iron and steel. Silk manufactures, under the general tariff, are charged 15 per cent, with 12 per cent for British goods. Machinery, again, is subject to the free and 3-per-cent scale; biscuits, cakes, confectionery, to 22 per cent, but to 25 per cent on the general tariff. Sugar is not on the preferential list, but South African produce is free; invert sugar 3s. 6d. per 100 lb., while other sugar is charged at 5s. In the case of sugar which has received a bounty an additional duty is charged. Tea, grown within the Union, or in South Africa, enters free; all other 4d. per lb. duty. Coffee (raw) of South African origin free; other raw 3d. a lb.; roasted or ground, 2d. a lb.; coffee and milk, 2d., with 1½d. for British; and the essence or extract of coffee pays 25 per cent, with 22 per cent on British. These few specimens afford a taste of

this tariff; they are enough to class it among protective tariffs, in which there is a small preference to British goods, but protection against all who come. (See also Chapter VI of this Part.)

Customs Tariff of the Dominion of Canada

The customs tariff of the Dominion of Canada is a rather complicated affair to-day, what with its general, intermediate, and preferential rates of duty. In general, it may be said to be a variant of other Colonial (not Indian) tariffs noticed already. It has its free list, in which the phrase "the growth, produce, and manufacture of Canada" is prominent; a prohibited list also. The foundation of the present rates is an Act of 1907. That grants the preference to British goods, and extends the same rates to goods entering direct from British possessions. For that preference and its subjects the general list of duties has to be sought now. Then the Act of 1907 provided for an intermediate tariff, which is a rate between the general tariff and the preferential, and has not been of much practical importance. By a convention with France in 1907, since modified in 1909, some of the intermediate rates of duty became operative; but the United Kingdom will benefit where such a benefit is shown. The Act of 1907 contained a surtax on goods entering from Germany, but by a special agreement that was removed. A special convention has been arranged with France. The special provisions of these arrangements should be sought in the official lists to be seen at the High Commissioner's office in Victoria Street, London, S.W. In the Act of 1907, also, there is a provision for special "dumping duties", equal to the difference between the selling price of the article for export and the fair market value thereof for consumption. That special dumping duty is not to exceed 15 per cent *ad valorem* in any case; and the Minister of Customs is permitted to make arrangements for enforcing this duty, and to prevent avoidance of it.

The Canadian customs tariff is of a frankly protective character, a character which is put in the forefront. Of course, in actual practice, no trader can stir without a full list of the duties and regulations. (See also Chapter VI of this Part.)

New Zealand

These remarks will apply, with the necessary modifications, to the customs tariff of the Dominion of New Zealand. The preferential element in New Zealand is secured generally by additional duties on the general tariff in the case

of "non-British" goods. If we look to the various colonies and dependencies a great variety of tariffs may be found, but for our present purpose it will suffice to exhibit those imposed by the self-governing dominions of the first rank, in the British Empire. They present one of the most striking instances of the tolerance, nay the freedom, obtaining beneath the British sway.

France

The French tariff in operation is elaborate, and of a highly protective character. Ever since the French Government abandoned the moderate tariff treaty of 1860, in 1881-2, the tendency has been to a more stringent list of duties, specific duties taking the place of the *ad valorem* duties. In 1892 the Méline tariff went into operation, with its high duties on agricultural produce, raw materials, and manufactures. Those principles have been applied ever since in the tariffs, until the 30th March, 1910, when a newly revised tariff law was promulgated in the *Journal Officiel*. The schedule is of a most elaborate and important character. Based on the law of 1892, and subsequent modifications, which were many, the following points of this law should be observed: (1) Certain goods are accorded temporary admission (among them automobile chassis—for three years); and in all cases they appear to be goods in a raw or rough state, for further manipulation. (2) Powers are granted to the Administration to issue decrees on such matters as surtaxes, bounties, the imposition of an *ad valorem* duty on free-list goods, taking steps against foreign countries acting so as to restrict French commerce, applying retaliatory duties, &c. (3) The vessels of countries treating French vessels less favourably than other vessels are liable to duty on entering French ports, and also the goods carried by them in order "to countervail the prejudice suffered by the French flag". (4) Merchants, or travellers taking orders in France for foreign firms, are taxed as French firms are taxed doing a like business in those countries. Similar treatment is accorded to patterns and samples. (5) The decrees are published in the *Journal Officiel*. (6) The duties of this law of March, 1910, are made operative in Corsica, Haute-Savoie, the French Colonies and Dependencies, by decrees also. (7) The Government may apply the present rates on the "general" tariff, as a temporary measure, to the goods of any country which does not treat French goods differentially. But (8) all preceding laws are abrogated where contrary to the present law. The tariff came into operation on the 1st April, 1910. To get a key to this tariff the agricultural interests must be recollected.

Maximum and Minimum Type

Before giving specimens of this French tariff, it is important to notice that it is, like its predecessor, of a maximum (or "general") and minimum type. The law of 1910, indeed, does but amend some only of the provisions of the former schedule. It is also important to remember, that owing to our own revenue tariff, and by our "most favoured nation" position in relation to France, the products and manufactures of the United Kingdom are subject to the rates on the "minimum" tariff. Some goods found only on the "maximum" tariff will be charged alike from any country whatever.

Specimens of French Customs Duties

The following are specimens from the French tariff schedules: Rams, ewes, and wethers, 40 fr. each, general, and 20 fr. minimum. Poultry, 30 fr. and 20 fr. per 100 kilos. Mutton, 50 fr. and 30 fr. per 100 kilos. Pork, 40 fr. and 25 fr. per 100 kilos. Beef, 50 fr. and 35 fr. Wool, in the mass and on skin, free; the mass or noils, dyed, 32 fr. 50 and 25 fr. per 100 kilos. Silk, in the cocoon, and dry or raw, free; worked or thrown, 300 fr. per 100 kilos. Wheat, spelt and meslin, in grain, 7 fr.; crushed and more than 10 per cent flour, 11 fr. Flour, at the rate of extraction (70 per cent and above, bolting 30 per cent and under), 11 fr.; 70 to 60 per cent, 13 fr. 50; 60 per cent and below, 16 fr. per 100 kilos. Rice, husk, 3 fr.; broken rice, 6 fr.; whole rice, flour and grits, 8 fr. per 100 kilos. Grapes and fruit, forced, 200 fr. and 150 fr. per 100 kilos. (including weight of receptacles). Sugar, from French colonies, 25 fr.; from foreign countries, 98 per cent or less, 25 fr. per 100 kilos.; but this last item is subject also to refining and supervision taxes. Should the Brussels Convention cease, the duties will be increased by 14 fr. per 100 kilos. Coffee, 300 and 150 fr. per 100 kilos. (but the minimum is subject to special conditions). Cocoa, bean and shell, 104 fr.; crushed, in paste, &c., 150 fr.; and cocoa-butter, 150 fr. per 100 kilos. Tea, 400 and 208 fr. (the minimum accorded by the customs after recognition of origin). Coal or coke, 12 centimes per 100 kilos. Iron ore free. Iron and steel, crude, in ingots, 6.75 fr. and 4.50 fr. Iron or steel, rolled or forged, in blooms, billets, and bars, 7.50 and 5 fr. Fine steel for tools, 22.50 and 15 fr. per 100 kilos. Tissues of pure cotton of all kinds, bleached (all raised 30 or 20 per cent on former tariff). Gloves, tissue, 900 and 600 fr. per 100 kilos. Paper of all kinds, other than fancy, above 30 grammes per sq. metre, 15 and 10 fr.; and 30 grammes or less, 23 and 15 fr. per 100 kilos. Skins and hides, prepared—only tanned or tawed—

goat, kid, and lamb, 15 and 10 fr.; other entire, 50 and 25 fr.; backs and butts (croupions), 60 and 32 fr.; waste (croûtes), 40 and 18 fr. per 100 kilos. Gloves, fur and leather, from 16 to 1 fr. per dozen pairs. Jewellery, of gold and platinum, 4000 and 500 fr.; of silver and silver gilt, 1000 and 500 fr. per 100 kilos. Tools (iron, wrought-iron, or steel)—spades, shovels, and mattocks, 18 and 12 fr.; scythes and sickles, 45 and 30 fr. per 100 kilos.

French Tariff Protectionist

These selections from the French tariff will be found suggestive. As seen already, the agricultural influence is reflected strongly in the schedule, but manufacture has also a very influential place. The selection is made out of 654 heads in the revised tariff (1910), and there are many sub-heads. The alternative rate of charge, coupled with the discretionary and contractual powers of the executive, should not be overlooked. In general, there is no escaping the conclusion, apart from common knowledge, that the French tariff is framed from a protectionist point of view. The difference in the rate between raw, rough, and more advanced condition of an article may be observed on every page of the schedule; the distinction between goods arriving from the country of origin and others, with the surtaxes upon indirect imports, and the outstanding importance of the maximum and minimum rates of duty, all proclaim the protectionist character of the French tariff. That is not to suggest that the tariff is framed with indifference to the yield in revenue, for in 1909 from customs and sugar no less a sum was received than £267 millions. (See also Chapter VII of this Part.)

United States of America

The customs tariff of the United States of America, known as the "Payne Tariff", from the chairman of the committee framing it, is dated the 5th August, 1909. The Act embodying the tariff is said to be "An Act to provide revenue, equalize duties, and encourage the industries of the United States, and for other purposes". That Act contains some provisions relating to an excise on corporations, &c., and some purely financial matters, of which no cognizance is taken here. It was essentially a Customs Act, and the subject to which this chapter is devoted gains from it a typical illustration of a protectionist character; for it is widely known how since the Civil War of 1861-5 the United States has sought by customs tariffs to accomplish such ends as the preamble just quoted declares.

There are no fewer than 718 heads to the

schedule of duties and the free list. The dutiable articles are comprised under 481 heads; the non-dutiable, or "free list", are under Nos. 482 to 718 inclusive. This "free list" must be taken *cum grano salis*; for, by virtue of the retaliatory power given to the President, an article may be transferred to the dutiable class. Nos. 687 (sulphuric acid) and 695 (tin ore) may be cited. In the case of the acid a retaliatory $\frac{1}{2}$ cent per lb. may be imposed; as to tin ore, when the mines of U.S.A. produce 1500 tons of cassiterite and bar, block and pig tin, per year, the President will impose a duty of 4 cents per lb. Finally, it is provided that the schedules form the minimum tariff; and section 2 provides that a maximum tariff shall be levied in cases where the President deems that a Government imposes terms or restrictions discriminating against the republic. The maximum tariff is imposed by adding 25 per cent to the scheduled rates. At the General Election in 1908 there was a cry for a reduction or "reform" of the tariff; in the "Payne Tariff" of 1909 there are many changes, some specific reductions, but there were other cases in which an increase resulted, and there is a widespread agitation in the U.S.A. against the severe result upon the taxpayer.

Specimens of the Customs Duties

Some specimens of the dutiable tariff in the U.S.A. will now be given (but they will be insufficient to illustrate the subtle manner in which the tariff is framed): Iron ore, reduced from 40 to 15 cents per ton; iron in pigs, from 4 dol. to 2.50; iron, wrought, cast scrap, and scrap steel, from 4 dol. to 1 dol. per ton. Iron generally was subject to reductions. Tin plates, tern, and taggers tin, reduced from $1\frac{1}{2}$ cent to $1\frac{1}{10}$ cent per lb. Many sorts of iron goods yet at 30, 35, 40, and 45 per cent *ad valorem*. Sugar, not above 16 Dutch standard, $1\frac{9}{10}$ cent per lb. when not above 75 degrees, and $1\frac{3}{10}$ cent per lb. for every degree higher; above 16 Dutch standard, and all refined, reduced from $1\frac{9}{10}$ to $1\frac{1}{10}$ cent per lb. Horses and mules, valued at 150 dol. or less, 30 dol., or above 150 dol. per head, 25 per cent *ad valorem*. Sheep, one year or over, 1.50 dol., and less than one year, 75 cents. Wheat, only 25 cents a bushel; but wheat flour 25 per cent *ad valorem*, and semolina $1\frac{1}{2}$ cent per lb. Cocoa and chocolate, prepared, not over 15 cents per lb., 2 $\frac{1}{2}$ cents; not over 24 cents per lb., 2 $\frac{1}{2}$ cents and 10 per cent *ad valorem*; not over 35 cents per lb., 5 cents and 10 per cent *ad valorem*; over 35 cents, 50 per cent *ad valorem*; powder and unsweetened, 5 cents per lb. Cocoa, butter, and substitutes, 3 $\frac{1}{2}$ cents per lb. Tea and coffee are free; but chicory, raised from 1 to $1\frac{1}{2}$ cent when

unground; burnt, or ground, raised from $2\frac{1}{2}$ to 3 cents per lb. Cotton cloth, not exceeding 50 threads to sq. inch, unbleached, 1 cent per sq. yard. Cotton cloth, exceeding 100 threads, placed on specific duty list at $2\frac{1}{2}$ to 6 cents (with this list not less than 25 per cent, which was the previous duty, on each sample of unbleached of this quality). Flax, straw, 5 dol. per ton; flax, not hackled or dressed, 1 cent per lb.; flax, hackled ("dressed line"), 3 cents per lb. Hemp, raised from 20 to 22.50 dol. per ton; hemp ("line of hemp"), raised from 40 to 45 dol. per ton. Tapes, woven of flax, in part or wholly, 40 per cent *ad valorem*. Laces, embroideries, edgings, veils, of any material, except wool, raised from 60 to 70 per cent *ad valorem*. Wools are classed as (1) Merino, (2) Long, (3) Syrian, &c., and wools and hair of the first class, 11 cents per lb.; of second class, 12 cents; of the third class, if valued 12 cents, 4 cents per lb.; if exceeding 12 cents, 7 cents per lb. Fine samples may be placed in Classes 1 or 2. Wools on the skin, 1 cent less per lb. and quality. Blankets and flannels, valued not more than 40 cents per lb., 22 cents and 30 per cent *ad valorem*; not more than 50 cents, 33 cents and 35 per cent *ad valorem*; more than 50 cents, 33 cents per lb. and 40 per cent *ad valorem*. Clothing, ready-made and wearing apparel, including shawls, &c. &c., composed of wool, 44 cents per lb. and 60 per cent *ad valorem*. Silk from cocoon, not advanced further than carding or combing, reduced from 40 to 35 cents per lb.; manufactures of silk, 50 per cent *ad valorem* (some classes reduced from 60 per cent). Pulp and paper: mechanical wood pulp, $\frac{1}{2}$ cent per lb. (dry weight); chemical wood pulp, unbleached, $\frac{1}{2}$ cent; bleached, $\frac{1}{2}$ cent lb. (dry weight); printing-paper (other than hand-made or machine hand-made, &c.), valued not above $2\frac{1}{2}$ cents per lb., $\frac{1}{10}$ lb.; not above $2\frac{1}{2}$ cents per lb., $\frac{1}{10}$ per lb.; not above 4 cents, $\frac{1}{10}$ per lb.; not above 5 cents, $\frac{1}{10}$ per lb.; above 5 cents, 15 per cent *ad valorem*. All these paper rates may be supplemented by retaliatory rates of duty. Coal, bituminous and shale, reduced from 67 to 45 cents per ton of 28 bushels of 80 lb. each. Coke, 20 per cent *ad valorem*. Hides of cattle free, but grain, buff, and split leather reduced from 15 per cent to $7\frac{1}{2}$ per cent *ad valorem*. Boots and shoes, made chiefly of cattle-hide leather, 10 per cent; made of leather, other boots and shoes, reduced from 25 per cent to 15 per cent *ad valorem*. Harness and saddlery, chiefly of leather, 20 per cent *ad valorem*. Other harness and saddlery, in sets or parts, finished or unfinished, reduced from 45 per cent to 35 per cent *ad valorem*. Gloves, made chiefly of leather, from 1.25 to 4 dol. per doz. pairs. Lined gloves and gloves stitched or embroidered pay extra duty. Ploughs and other implements reduced from 20

to 15 per cent *ad valorem*; but from countries which impose no duty on such articles, free. It is worth observing, also, that wearing apparel and other personal effects may be imported free, when not for sale, but residents returning to the U.S.A. may not introduce more than 100 dollars worth of such articles free.

These schedules are remarkable for their careful discrimination in favour of productive industries. It is also necessary to observe how both specific duties and *ad valorem* rates are used separately and in combination. Exporters should also remember that where there are more rates than one, the higher is charged in common practice. In addition to the schedules, the Act contains 40 other clauses, many of great importance in practical work. The dispensing power of the Executive is applied in many cases, and retaliatory power conferred very widely. Works of art, if of twenty years of age, may go in free; but others at 15 per cent *ad valorem*. There are clauses treating of bounty-fed articles: of marking, stamping, and branding; and of the prohibition of obscene or immoral articles. Others deal with the regulation of the import of live cattle, and with the products of convict labour. Clauses 15 to 17 deal with shipping, and enable the authorities, in cases, to impose an extra 10 per cent on goods in certain bottoms. Provision is made for manufacture in bonded warehouses (sec. 23), and for drawback equal to 99 per cent of the duty paid (c. 25). One of the most important features of the Act is the incorporation (c. 28) of a revised text of the Customs Administrative Act of 1890 in 30 clauses. This revised text provides for a large number of administrative matters, but probably the most important and conspicuous points are those regarding nine appraisers of merchandise with the powers of a circuit court, and the creation of a United States Court of Customs Appeals, manned by a judge and four associate judges, with powers of an Appeal Court, and made into a court of record, to which all appeals on customs questions shall be sent, subject to the jurisdiction of the Supreme Court on matters of law. This court, and the board of nine appraisers will be deemed, probably, a measure of the importance attached to customs in the U.S.A. A tonnage duty of 2 cents per ton (not to exceed 10 cents per ton in the year) on vessels entering the U.S.A. from the North and Central American ports and also from the West Indies, but the duty will be 6 cents per ton (or not more than 30 cents a year) for any vessel entering from any other foreign port, except vessels in distress or not engaged in trade. A foreign-built yacht entering the U.S.A., or a yacht owned or chartered by a citizen for more than six months, will pay a duty

annually equal to 7 dollars per gross ton, or a payment of 35 per cent *ad valorem* on such a yacht will entitle it to the same privileges as a yacht built in the U.S.A.

Encouraging the Industries of the United States.

These provisions, together with the schedule of customs duties, with all the careful discriminations which characterize them, make it evident that care was taken in framing the Act that it should "encourage the industries of the United States", as the preamble has it. This is not the place to enter into a consideration of the policy of such an Act, nor whether it is advisable to legislate in this sense. What is abundantly clear is that the "Payne Tariff" of 1909 is of a highly protective character, framed as an aid to industry rather than as a means of revenue; but in 1907-8 the U.S.A. revenue from customs duties yielded no less than 282.5 million dollars, or, say, £56½ millions, a colossal sum, which is paid in part for the policy of "America for the Americans". (See also Chapter VII of this Part.)

Germany

The customs tariff of Germany (and the Zollverein) is of a highly protective type. Ever since 1879 the tariff policy of the Zollverein has been driven more and more in the direction of the policy with which the name of List is connected. Industries, including agriculture, are regarded; and on the plea that such industries are at a stage of development at which they should be nursed and protected, a tariff has been adopted, progressively, until that of 1904, which went into operation on the 1st April, 1906, may be regarded as a type of aggressive protectionism. That tariff is modified in several ways. At such great harbours as Hamburg and Bremen a free zone is recognized and defined, within which articles may be imported without payment of duty. So an aid is afforded, very suggestively, to industries, such as shipbuilding, which may be in need of raw material. The tariff in particular is so constructed and construed that a "general" tariff is made the standard, but by means of treaties which the executive is empowered to conclude, a "conventional" tariff is laid down, which is much lighter than the "general" tariff. Thus by a series of treaties the same end is sought as by France in her "maximum and minimum" rates, or by the United States in giving the Executive power to add 25 per cent to her minimum rates in certain cases. As regards German "conventional" treaties under this disposition,

they have been concluded with Russia, Switzerland, Italy, Roumania, Belgium, Austro-Hungary, and Servia, and in 1910 Canada concluded such a treaty with Germany, and in return admits German products on her conventional terms, removing the surtax which had been charged on German imports.

Syndicates and Kartels

The effect upon German industries and commercial expansion of such a tariff as that now in operation is much discussed; but in this place only a few specimens of the way in which the schedule of import duties is framed will be afforded. It may be pointed out that syndicates and kartels have become either more numerous or more powerful within the Zollverein, and reference may be made to those relating to coal, iron and steel, and to sugar. They seem to flourish best where the tariff is most severe; and the German tariff of 1904-6 is much more accentuated than the previous one.

Specimens of German Duties

The following specimens from the German tariff (Zollverein) will be found suggestive. Wheat and spelt—General tariff, 7.50 mk.; conventional, 5.50 mk. = about 12s. 3d. per qr., or 2s. 9d. per cwt. The following rates are from the "conventional" tariff, the "general" rates are in most cases considerably higher. Cotton—Yarn, single, unbleached, up to No. 11, 0.32d.; above No. 102, 2½d. per lb. Cotton—Tissue, up to 35 threads (80 grm. or more to the sq. metre), 2.68d.; up to 44 threads, 3.75d.; more than 44 threads, 4.82d. per lb. Lace of all kinds, embroidered, 1s. 4d. per lb.; other, 1s. 6½d. per lb. Raw silk, or byssus, not twisted, free; twice twisted, 6.42d. per lb. Woven silk, of the nature of taffeta ribbon, &c., 1s. 4d. per lb. Close-woven tissues of silk, wholly of silk, 2s.; partly of silk, 1s. 6½d. per lb. Woollen clothing, millinery, and sewn articles—Underclothing, 1s. 1½d.; others, 1s. 6½d.; when these are highly trimmed, a surtax of from 10 to 50 per cent, according to ornament chiefly. Iron—Scrap, iron and steel shavings, pig iron, &c., 6d. per cwt.; blooms and ingots, 9d. per cwt.; sheets and plates, more than 1 mm. in thickness, 1s. 6d.; 1 mm. or less, 2s. 3d. per cwt. Cutlery, common, scythes and sickles, 5s. per cwt.; chaff cutters, 6s.; machine knives, 9s.; fine cutlery, rough, 7s. 6d.; worked, 12s. per cwt.; surgical, free. Hides, skins, and scraps of leather, &c., free. Leather (more than 3 kilos in weight), whole or half hides, 15s. per cwt.; bend leather, 16s. 6d.; for belts, 11s. per cwt. Boots and shoes, with soles

of wood, 15s. per cwt.; other material soles, more than 1200 gm. per pair, £1, 10s.; more than 600 gm., £2; less than 600 gm., £2, 5s. per cwt. Paper and stationery — Stock, from rags, free; from wood or fibre, &c., 7½d. per cwt.; pasteboard, 3s. per cwt. Notepaper, in paper or cardboard, 6s. per cwt. Coffee, in the berry, 20s.; roast or ground, 30s. per cwt. Cocoa, bean, 10s.; roast, unshelled, 17s. 6d.; roast and ground, &c., 32s. 6d. per cwt. Tea, 1'34d. per lb.; for extraction of theine, free. Soap, soft, 2s. 6d. per cwt.; hard, 5s.; in tablets, balls, &c., 15s. per cwt.; and wool, 2s. 6d. per cwt. (gross). (See also Chapter VII of this Part.)

The Elaborateness of the German Tariff

As in specimens of tariffs for other countries, such a selection of specimens is utterly inadequate to represent the elaborate character of the schedules of duties. Only detailed knowledge of a schedule can give a true conception of its intricacy and elaboration. A knowledge of such a character and quality, however, is possessed by few or none, and, therefore, to frame such a schedule it is necessary to draw upon representatives of every industry to

be included in the schedule. Knowledge of this fact will help to suggest the true estimate of a tariff's bearing upon the various industries as upon the whole of a country's commerce. Though the above selection of customs duties is meagre, it is suggestive of the minuteness with which the industrial field has been examined. The guiding principle of the tariff should especially be observed. The home market is made to depend in part, of course, upon this adventitious aid of the tariff; and so the incidence of the duty becomes more severe as the condition of the article departs from the raw state. In short, the amount of work decides the amount of duty. At this point it is unnecessary to say any more to elucidate the principle upon which the tariff is constructed; it is now in Germany a highly developed protective tariff, framed to encourage industries quite as much as to yield revenue, if not more so. Yet within the union (Zollverein) in a recent year no less than about 667 million marks, or about £33,000,000, was received in customs duties; and this revenue is used to pay the matricular contributions to the various constituent states. Germany's tariff is the ripe fruit of what is known as the "National Policy".

COMMERCIAL TREATIES

The accounts given already of some tariffs in operation are of a strictly indicative order. They also aim chiefly at exhibiting the character and the methods adopted in framing the tariffs. Reference was made incidentally to various arrangements which were observed to remain valid in certain cases, notwithstanding some large reconstructions of the tariff. For instance, there was, when the "Payne Tariff" of 1909 was passed, a "commercial agreement" between the United States and the United Kingdom respecting the duty on British works of art. In this case the terms of that agreement were revised in, and superseded by, the rates in the new tariff. These agreements serve to remind us of commercial treaties in relation to tariffs. It is an old method of arranging and facilitating international commerce. The method has been used for very different ends and under the influence of contending principles; but history makes it abundantly evident that such treaties were a consequence of the practice of governments endeavouring to regulate the commerce of their citizens beyond the seas. Economists, led by Adam Smith, have condemned such treaties as having some exclusive and personal advantage in view, and such an advantage usually meant a manipulation of the tariff. Portugal, for instance, secured

advantages for her wines against those of France under the Methuen Treaty of 1703. The eighteenth century and the early part of the nineteenth century saw many such conventions or treaties, and later times bid for attention for some arrangements on similar lines. As an instance, the fiscal bargains between France and Canada and between Germany and Canada may be adduced, all pointing to the treaty as a concomitant of a state regulation of trade and commerce, and that chiefly by means of the tariff. Nor was the famous Cobden Treaty with France, of 1860, an exception from this point of view, though secured under the influence of a principle reversing much of the mercantile view of commerce. It was, as the older commercial treaties were, a "give-and-take" process, France in her case bestowing upon the United Kingdom the moderate tariff then agreed to instead of the severer protective measures of former times. The object was in this case somewhat of a novelty at that day; the method, grey with use in protective days. France, as we have seen, has reverted to her older policy; but these instances show that the potent instrument of the commercial treaty has been used from various points of view to modify the tariff, and so to secure reciprocal advantages.

The Cobden Treaty with France, 1860

The Cobden Treaty of 1860 is more famous from the devising of a method of extending the scope of such a treaty by what was denominated the "most-favoured-nation" clause. Any advantages which the United Kingdom and France derived mutually by means of that treaty might be extended to any other country seeking to share in its benefits. That principle and practice became prolific of imitations. The general tariff of a nation became a thing largely apart from the tariff under a treaty, which latter was in effect a "minimum-rate" tariff. The famous provision of 1860 is still playing a great part in international commercial regulations. In France itself, under the customs tariff of 1910, with its "maximum and minimum" tariffs, as we have seen, the United Kingdom secures a place for its products of all kinds on the

minimum basis. That is so generally, as the narrow range of customs duties, imposed for revenue only, enables her in most cases to benefit by the "most-favoured-nation" clause in her treaties. Those treaties are numerous, and should be consulted in the State Papers Series and by application to the Commercial Intelligence Department of the Board of Trade.

The terms "commercial treaty" and "conventional tariff" are applied to certain aspects of these agreements. The tariff may be looked upon as the subject or main subject, of such a treaty, and it is conventional not only as the subject of such a treaty, but sometimes such a treaty is the result of agreements to which several countries are parties. As an instance, take the Brussels Convention on Sugar Bounties of 1902, by which the export of sugar is now regulated over a wide area; it is in a conventional position.

INFLUENCE OF TARIFFS ON TRADE AND COMMERCE

It is necessary to take a glance at the influence of tariffs upon trade and commerce. That they do exert such an influence is patent. That influence is acknowledged to be great and important, to be felt at home and abroad, to be observed in colonial matters, and to have relation to matters the aspect of which is not of a commercial nature, but especially to those which are political. How deeply immersed in the political concerns and organizations tariffs are is forgotten, probably, by a great many who are steeped in commercial activities, and in current thought at a given moment, when the commercial action of tariffs is considered, the essentially political origin of a tariff is apt to be overlooked. We have seen tariffs like that of the German Zollverein adopted for an area which covers many political boundaries, but we cannot find a tariff which is not in close and inseparable relation to a political area. A tariff, in short—a customs tariff—is a political instrument, whether we find its object confined to raising revenue or not. That essential aspect of a tariff, that it has a political character, should never be forgotten. It is obvious that such a fact may, and does, concern us all when we turn to glance at the influence of customs tariffs upon trade and commerce.

Home Trade and International Trade

Trade and commerce, however, are both for home and for external activities, including foreign and colonial action and transaction. The tariff in form is concerned with external relations, but

we all see that it may, and does, affect our home concerns, including trade, commerce, and agriculture. A word or two will be added later on touching agriculture, but here the glance will be at home trade and commerce. Tariffs affect them whether we regard the various trades in the home area, or the commerce within that area which concerns home interests in the narrower sense. The better way is to recognize the fact that the two aspects, the internal and the external, the home and the foreign commerce, are so intertwined that any potent factor will be felt throughout the commercial realm. This, in truth, is an assumption which is made most commonly; the part which tariffs play is not seen clearly and unitedly. What is evident is that in the employment of tariffs to affect the home conditions an effort is made in this case by means of an instrument used in relation to external trade. The home conditions, commerce, and trade are thus regarded as in relation to the trade of different peoples and nations. Thus we revolve ever and anon around the political pivot; the tariff brings us always to things and questions raised by political considerations and organization.

Tariffs Always a Political Instrument

The home trade is affected by the tariff as used in international trade, and, however deep or slight its effect may be considered, it is always inseparable from the political aspect of the whole. International or external trade, then, offers the main opportunity for observing the influence of customs

tariffs on trade and commerce. That is so not because there is a doubt of the powerful effect of tariffs on home trade, but because we trace in the forms and methods of the tariff on goods passing in and out of a country the fresh imprints it makes. Before the tariff there is a policy; in the embodiment of the tariff we find that policy in operation. This is common to all varieties of such tariffs, and in a degree applies to tariffs for revenue as well as those of more protective character. It should be recognized on all hands that the action of a customs tariff, whatever the character of the tariff, must and does bear in an important degree upon the conditions of trade and commerce.

Revenue and Protective Tariffs

As between a revenue tariff and a protective one the effect upon trade and commerce is frequently a question of degree only. It is true that when a tariff, such as the present British tariff, is imposed for revenue only, much more than gaining revenue is done. There are other birds in the line of fire. The object may be revenue, but to get that revenue by means of a tariff means affecting the condition of every trade which is concerned in the duties imposed. The tea, the intoxicating liquors, the tobacco, by means of which revenue is got in the United Kingdom, each and all of these trades are affected profoundly far beyond paying certain duties. There is a tendency to limit the number who can engage in such trades, if only for the larger capital which is usually required. The conditions are aggravated still by regulations which are framed for a manufacture such as tobacco, in bond. These and other limitations make the conditions under which a trade is carried forward more onerous generally and more expensive particularly. A city firm doing business on a large scale was under the necessity of raising £40,000 more capital when in 1901 the sugar duty was reimposed, though it was for revenue only. As a tariff, a customs duty is used to secure revenue; the method is of the same nature as that adopted when other ends are also in view.

British Licences: Analogous Action to Tariffs

By means of the taxation of intoxicating liquor in the United Kingdom it is possible to observe a tariff used, in conjunction with other licences, for ends besides revenue. For this purpose duties of customs as well as excise act much in the same manner. The duties affect the conditions under which the business is conducted, as we have seen,

but the licences, which are a complement of the duty, serve for regulative as well as revenue purposes. A definite control of drinking shops is sought, as well as the revenue from the price of licences. Such a control causes a profound change in the conditions of conducting the trade. It is confessed by some that the conditions are not designed for commercial purposes only; but the case is worth observation, because it is analogous, and serves to illustrate the effect of a tariff when used for regulative purposes. That this should be observed in the working of a revenue tariff is most instructive, and serves to remind how, to a certain degree, such revenue tariffs affect the conditions of trade in the same way as, if to a much lesser degree than, protective tariffs.

Protective Tariffs Designed to Regulate Trade

Those protective tariffs are confessedly and designedly framed to affect the conditions of trade, as well as to collect revenue. This is common ground among those who differ as to the value and legitimacy of such action. The fact is admitted on all hands that it is the intention of the framers of such tariffs to modify all the conditions of a commerce which directly involves more countries than one. The results may or may not be according to expectation, but results of moment do follow; there can be no question that tariffs affect trade and commerce. A further step may be taken: it is confessed that tariffs, in so far as they are regulative, tend to destroy full freedom to do business. That fact of restricted opportunity, however evident, is frequently overlooked. If a tariff for revenue is found to affect the trades by which the duties are raised very seriously, what shall the confessedly protective tariffs be said to be? In such instruments the political power is wielded to set new conditions for passing commerce; and occasionally that power is used so that business of a certain kind shall cease. A clear view of the matter can be got by the reflection that the method is applicable, or might be applied, at any limit of land or sea, at a price, and with certain labour. We are most familiar with this method as applied to trade and commerce between nations; but it is quite conceivable that customs barriers might be decreed between French departments or between English counties. Here we come to the question of policy involved in such methods. Tariffs of a severely protective character may be enforced at any boundary, but it should be recognized more generally and practically that they alter and limit the conditions upon which the trade is conducted, and that such a limitation

appears to make the movement of commerce costly in direct proportion to the stringency of the regulations which the tariff requires.

Each Country its own Policy

It is open to every political area to declare and to act upon a policy in such a matter, in tariffs as well as in other things. That this is a matter of policy, that a tariff is frequently a matter of policy, should be recognized, for it may not be a harbinger or an aid to business. Once and again in several leading countries this policy is adopted deliberately. We have seen the United States impose specially high rates of duty upon tinned plates, and 60 per cent on lace; and that is done confessedly to hinder international commerce, and to stimulate internal production. The position would be clearer were it recognized that the method by tariff is a method of restricting commercial intercourse; and the policy should be judged in view of that.

Tariffs Reflecting the National Spirit

The commerce of nations reflects the spirit and temper of nations. Tariffs, as we have seen, are a means of raising revenue, but we have also seen how they have been, how they are, used to regulate and even to block any commercial intercourse, or else to decree a selection in that intercourse. Sometimes the remarkable phrase a "tariff war" has been heard, and we are familiar with the fact, as in the case of recent years between Germany and Russia, and Germany and Switzerland. National jealousies bring confusion; and that is so when tariffs are used as weapons of warfare. If it is a question of commerce, to facilitate it by land or ocean should be a common object; but a tariff is used in a deflected and dangerous way when it is enforced with a jaundiced eye upon another nation. A "tariff war" may be a contradictory sort of phrase, for a tariff is for revenue, and commerce is for peace as a condition, but a war is destructive, and neither commerce nor revenue may hope to prosper in its confusion. That is now more largely recognized; but it should not be overlooked how readily a tariff has been snatched

from the fiscal realm and carried away to wage war. And commerce is not warfare.

Tariffs and Agriculture

National sentiment frequently demands a tariff, not for revenue, but in such an interest as the fundamental interest of agriculture. That a prosperous countryside is desirable in every country goes with all experience. So far as the interests of agriculture are commercial the case does not seem to present features unlike those of other industries and interests. The demand that resort should be had to tariffs in aid of such interests is the result of mingled sentiments, of the strongest and most effective being those which are patriotic and national. So far as such sentiments provoke men to demand the application of a tariff, it should be pointed out that in all applications a tariff is a question not of life or death, but of the more or the less; and in the case of agriculture, as in many cases which are considered in relation to tariffs, conditions are usually the result of many contributing causes. In the case of land the conditions of soil and of tenure may need attention before a tariff is invoked which shall prove a yoke, a designed yoke, upon international commerce and exchange.

Nature, Functions, and Effects of Tariffs

The conclusion of such a review of tariffs would appear to be that in nature a tariff is a political instrument, and that its functions are the provision of revenue; but that in effect upon men and commerce it is restrictive and seldom helpful. That is so whether a tariff is used for revenue only or designed for ulterior purposes, such as the regulation of the quantity or quality of trade. A recognition of the true nature of a tariff, combined with the study of history, and an observation of the action of a tariff, should be the pre-requisite to the adoption of such means for commercial ends. It would seem also that it is wisdom to recognize that the use of a tariff commercially is a matter turning upon policy. The economic issues of such a policy have not been pursued here.

CHAPTER III

THE OFFICIAL REPRESENTATION OF COMMERCE ABROAD

The Diplomatic and Consular Service—Trade Representation in the Oversea Dominions—Passports—Emigration Information.

The interests of Britain are represented in its foreign relations at home by the Foreign Office, over which the Secretary of State for Foreign Affairs presides (see Part I, Chapter IX), and abroad by Diplomatic and Consular Agents under the Foreign Office. Speaking generally, and of

times of peace, to the Diplomatic Service is entrusted the political representation of the Government, and to the Consular Service the commercial representation. The interests of British trade in India, the Dominions, and Colonies are now specially represented.

THE DIPLOMATIC AND CONSULAR SERVICE

The Diplomatic Corps comprises Ambassadors Extraordinary and Plenipotentiary, who are accredited to Paris, Berlin, St. Petersburg, Vienna, Constantinople, Rome, Washington, Tokio, and Madrid; Envoys Extraordinary and Ministers Plenipotentiary at The Hague, Brussels, Stockholm, Copenhagen, Christiania, Berne, Lisbon, Belgrade, Athens, Tangier, Buenos Aires, Lima, Santiago, Teheran, Peking, Rio de Janeiro, Mexico, Bucharest, Sofia, and Bangkok; Minister Plenipotentiary at Cairo; Ministers Resident at Dresden, Munich, Monte Video, Bogotá, Carácas, Havana, and Guatemala. There are attached to the various Embassies members of the Diplomatic Corps under the grades of: Councillors of Embassy (sometimes styled *Chargés d'Affaires*, and performing most Diplomatic and Consular services, as, for example, at Darmstadt), First Secretaries, Second Secretaries, Third Secretaries, *Attachés*, and sometimes Naval and Military *Attachés*. There are also at important trade centres officials known as Commercial *Attachés*; namely, at Paris, acting for France, Belgium, and Switzerland; Constantinople, for European and Asiatic Turkey and Bulgaria; Peking, for China; and Tokio, for Japan. Other

European Commercial *Attachés* have their headquarters in London: one for Germany, Denmark, Holland, Norway, and Sweden; one for Austria-Hungary, Italy, and Greece; one for Russia; and one for Spain and Portugal.

The Consular Service

The regulations and examinations in force for the Diplomatic Service can be consulted in the annual "Foreign Office List". They are not of immediate concern to the commercial world. For the Consular Service the qualifications call for ample notice. By far the greater number of consular representatives perform their services in an honorary capacity, or for fees only, and are engaged in trade on their own account. The Government is thus represented in many parts, but not represented so efficiently as, in the opinion of many, the needs of a great commercial community demand.

The reform of the British consular system has been advocated for many years by chambers of commerce, traders' associations, trade experts, and private traders. Something has been done by late Governments, both in improving the efficiency of

the commercial service rendered by consuls and the personnel of the consular service itself. There are still, however, areas of industrial country far too great to be adequately represented by the official nominally responsible. The call of economy still leaves some of the most important stations in the hands of foreigners, who obviously cannot for the occasional fees they earn be expected to put their best efforts into the furtherance of British trade, even if they understand its interests. That the greater number of our consuls and vice-consuls should still be unsalaried officials is, after all explanations, a surprising thing.

It is urged by some that the time has arrived when the Consular Service should be separated from the Foreign Office and the Diplomatic Service, and that it should be placed directly under the Board of Trade or a Ministry of Commerce with a special foreign department. It is undeniable that the country needs more consuls; consuls of British nationality; better or better-paid consuls, and more speedy and direct communication between consuls and traders through the commercial Government Department. The example of the consular reports issued from Washington is constantly held up as showing how a Government can assist in the dissemination of trade information. Occasionally excellent service has been performed to British trade by a "special commissioner" sent out by a trade paper or organization on its own account, and in this way the larger possibilities have been clearly demonstrated. It must not be overlooked that the Board of Trade has sometimes appointed a special commissioner.

Duties of Consuls

The office of consul is an old one, and is well known to international law. A consul is entitled to privileges, not so extensive by any means as those enjoyed by ambassadors, ministers, and *chargés d'affaires*, but still considerable.

Consuls are not strictly representatives of the State to which they belong, nor are they accredited to the State in which they act, unless they are also *chargés d'affaires*. Their duties are performed under a commission from their own State, which requires the permission and confirmation (by *exequatur*, as it is called) of the State in which their duties lie.

The necessity for consular representation was appreciated in the Middle Ages, to provide for the safe deposit of merchandise, and a jurisdiction, within the limits of a foreign territory, independent of that country. The Italian settlements in Turkey and Greece were the first examples.

Consuls watch over the commercial rights and privileges of their own nations. Ordinarily they have no contentious jurisdiction; but their status in Christian countries is somewhat different from that in Turkey and other Mohammedan or uncivilized countries. In the latter they have, under various treaties or "capitulations", jurisdiction by International Courts of a civil and criminal character in respect to the residents of their own nationality in the district. In addition to their commercial duties consuls may be called upon to assist in securing intelligence and supplies for their country's warships, for relieving distressed seamen and wrecks, recovering marine stores, tracing deserters, and for performing marriages of their compatriots, or undertaking the administration of the estates of any of these dying within the territory.

As a general rule consuls are amenable to the civil and criminal jurisdiction of the country in which they reside. They are entitled to safe conduct and exemption from personal taxes and obligations, including jury and other public duties, military service, and from having soldiers billeted on their quarters. They are also exempt from excise and customs duties upon liquors and other articles of consumption for themselves and their families, and the inviolability of the papers and muniments of the consulate is guaranteed. They have no claim to any marks of ceremonial respect, no right of precedence except amongst themselves, but they have a right to place the arms of their country over the door of their residence; and the display of the national flag is also frequently allowed by courtesy. In the absence of a diplomatic representation they have also the right of access to the authorities of the country. In the ordinary course they communicate only through the diplomatic representative. Consuls are generally allowed to issue passports to those of their own nationality.

The rights and privileges of consuls engaged in trade, or those who own real estate in the country, are probably limited to freedom of arrest for anything less than a crime.

That the British Consular Service is still largely in the hands of those who are not specially paid and who are even subjects of a foreign power, has, as we have seen, been often criticized by the commercial world, and it may be taken for granted that the system will have to be very largely replaced. It is, of course, a question of ways and means. Specially retained and remunerated officials would entail a large additional outlay, and in many cases the representation of the country is safe in the hands of some merchant, or other person permitted to trade, who is content

and glad to act in an honourable capacity without special remuneration other than fees.

The Consular Corps

The British Consular Corps is in three divisions:—

1. The General Service.
2. The Service throughout the Ottoman Dominions, Abyssinia, Morocco, and Persia.
3. The Service throughout China, Japan and Korea, and Siam.

In the General Service there are, at Cairo and Zanzibar, Agents and Consuls-General, who are high officials, wielding powers far more important than might be gathered from their titles—as may be best illustrated by the work of Lord Cromer in Egypt.

1. The ordinary division of the Consular Service is into that of: Consuls-General, Consuls (salaried and unsalaried), Vice-Consuls (salaried and unsalaried), and Consular Agents.

2. Throughout the Ottoman Dominions (which include Egypt, Tripoli, and Crete), Abyssinia, Bulgaria, Morocco, and Persia, there are Consuls-General, Consuls, Vice-Consuls, Salaried Assistants, Student Interpreters, Vice-Consuls (unsalaried), and Consular Agents.

3. In China, Japan and Korea, and Siam, there may be Consuls-General, Consuls, Vice-Consuls, First-class Assistants, Second-class Assistants, Student Interpreters; and the Minister at Bangkok is also Consul-General under the title of Envoy and Consul-General.

In Classes 1 and 2 Pro-Consuls may be appointed for the purposes of administering Oaths, and performing other powers of like character.

Commercial attachés are officers appointed to assist British traders, and further the interests of British commerce in various countries. Their field of work is noticed elsewhere.

Qualification and Examination

Candidates for the Consular Service must be natural-born British subjects. Persons not actually born within the United Kingdom, or born there of parents not born therein, are only allowed to compete by special permission of the Foreign Secretary, to whom they must be personally recommended by private letter.

It is to the advantage of candidates applying for nomination that they should possess one of the following qualifications: To have been called to the Bar, or enrolled as a solicitor; to have taken a University degree; or to have served three years in a commercial house.

Candidates must be unmarried, and be not under 22 or over 27 years of age at the date of examination; but a period of service in the Territorial Army or service in the Regular Army may be taken from the actual age.

The examination which is held before the Civil Service Commissioners comprises: The English language, French, and one other language, to be written and spoken correctly and fluently; a sufficient knowledge of the principles of British Mercantile and Commercial Law relating to: (1) Shipping; (2) Negotiable Instruments, Bills of Exchange, and Promissory Notes; (3) Contracts for the Carriage of Goods; (4) Contracts of Marine Insurance, Bottomry, and Respondentia; a sufficient knowledge of Arithmetic for the nature of the duties which consuls are required to perform in drawing up Commercial Tables and Reports, including a thorough knowledge of the metric system; Commercial Geography; and a knowledge of: (a) the general principles of political economy; (b) their special application to currency, the money market, foreign exchanges, and taxation.

After passing the examination the candidate will, in order to become acquainted with the forms of business, be required, as far as practicable, to work for at least three months in the Foreign Office and in the Commercial Intelligence Branch of the Board of Trade, before proceeding to his post. Such a consular appointment is subject to a probation of two years. A year after arrival at the post, a sufficient knowledge of the local language as far as commerce is concerned must have been acquired. It does not follow that appointments to the Consular Service may not still be made, without this examination test, of those who possess qualifications or claims. Consuls can be, and are still perhaps, appointed on other, and not always first-class commercial, qualifications.

Promotion in the Consular Service is according to merit. Marriage during the first three years is considered as a hindrance to advancement. There is now compulsory retirement, at the age of 65 for those recently appointed, and at 70 for those older in the Service, with a pension varying with the length of service.

Student Interpreters are appointed to supply H.M.'s Missions and Consulates in the East with officers versed in the languages and competent to discharge the duties of Interpreters and Consular Officers. Admission is by open competitive examination amongst candidates qualified as for the Consular Service, unmarried, age 18–24. The examination is a general one and in special languages, and for two years after passing it the

candidate may be sent to a University for special studies, receiving a conditional salary. Retention and advancement in the service then depend on conduct and efficiency. On appointment as Assistant, the salary is £300 per annum.

Student Interpreters are also appointed, under slightly different conditions, for China, Japan, and Siam; and Consular Assistants in China, Korea, and Siam, with special training and examination in Law.

Consular Salaries and Fees

The salary of a consul varies considerably with the importance of the place. There is often an allowance for house rent, for office, and in some cases a personal and fee allowance. The Consul-General at Antwerp, for example, may receive as much as £1200 salary, £100 personal allowance, and £1400 office allowance; or the Consul-General at Hankow £1200 and £100, with house provided. The Consuls at Rouen and Lyons receive £600 salary, and office allowance. The Consul-General at Dusseldorf only receives £350 office allowance. The Vice-Consul at Bergen receives £300-£500 salary, and £150 office allowance.

Fees are payable in respect of matters in which the interposition of a consular officer is required by Law, in connection with Merchant Shipping and Marriage; and fees may also be payable in respect of matters in which the consular officer is required to act by parties interested, as in giving certificates, or administering oaths. The fee is generally 5s. to 10s., rarely more than £1, except in regard to personal attendance, as, for example, to assist or advise as to salvage after shipwreck — £3 per day.

There are certain duties which a consular officer may perform for fees at his discretion, as the preparation or translation of documents, making of wills, &c. A consul may perform all acts of a notary public.

Consular Rank

The rank of Agent and Consul-General entitles the bearer to precedence immediately after Major-Generals and Rear-Admirals; that of Consul-General after Brigadiers and Commodores; Consuls rank after Colonels and Captains of the R.N. of three years' standing, and before all other Captains; Vice-Consuls after Majors and Lieutenants in the R.N. of eight years' standing. Consular Agents rank after Captains in the Army, and Lieutenants in the R.N. of less than eight years' standing. Amongst themselves, Consular Officers take precedence according to their grade and time of appointment.

In Chapter VII of this Part, under the heading of the various countries, it is shown when the British Government is represented by, and by what, Consular officials. In Chapter VI a similar indication is given of Trade Representation in the British Empire.

Commercial Functions

It is when something more than "representation" is required, when active pursuit of the interests of British trade is considered, that the inadequacy of the consular system is felt.

The ordinary commercial duties of consuls, apart from those in connection with the Navy and official or legal acts which they perform in connection with the Board of Trade rather than with the Foreign Office, are most important. These duties include the furnishing of information with regard to the commerce of their district. Special emphasis is attached to changes in trade and credit, openings for trade and tenders invited, contemplated contracts, &c., the answering of questions of British traders and the Commercial Intelligence Branch, the keeping of classified lists of the principal local traders, and the special reports and annual reports on the trade of the district.

In respect of the furnishing of information and the answering of trade questions, there has been a marked development in the consular usefulness in recent years, but it is advisable before an individual trader addresses a consul that he should first ascertain if the information is already available at home. He should therefore make a preliminary enquiry at the Commercial Intelligence Branch of the Board of Trade. (See also Part I. Chapter IX.) In addressing a consul, the official should not be addressed by name, but as H.B.M. Consul or Consul-General at —.

Enquiries of every description, with regard to commercial intelligence, are made of consuls; but if as to the credit of any particular firm, a reply will naturally be one of a non-committal character.

The ordinary information sent home by consuls on their own initiative is published in the *Board of Trade Journal*, and disseminated through the press or amongst those firms who have made arrangements with the Commercial Intelligence Branch to have the information especially notified to them.

That the intimation with regard to tenders open abroad should not be received too late to be of any practical service, consuls are authorized to use the telegraph in cases of necessity; and also to incur a small expense in procuring samples of

foreign articles with which it is thought British traders could successfully compete. This is, of course, a very small concession, but it must be accepted as an indication.

Consular Reports

The annual consular report is of special interest, but often too little regarded by the commercial world. It is also a document which has been greatly improved in itself and in its prompt accessibility to the public. Reports are generally available some few months after the year with which they deal. The report of the consular district includes the vice-consul's report, if any. It is edited on receipt at the Foreign Office and the Board of Trade, and published at a nominal price of about a farthing a page. It is circulated

to the press and public institutions, libraries, &c., and can be bought by any member of the general public so minded.

Such a return may deal with and contain the following ordinary matters, as well as any special information: Currency, weights and measures, a general introduction to the trade of the year, finance, revenue from customs, agriculture, population, factory statistics and industries, commerce, shipping, legislation, labour organization, navigation, limited liability companies, foreign competition in the country, home and foreign trade exhibitions, emigration, the various industries of the country in detail, the foreign trade, imports and exports, and particularly the share which the country of the consul has in that trade. The value of the report must, of course, largely depend upon the ability and enterprise of the official.

TRADE REPRESENTATION IN THE OVERSEA DOMINIONS

By means of the consular service, trade representation is secured in foreign countries. A system has grown up or been developed in recent years to aid British trade in the Dominions and Colonies. Documents of a similar character to the consular reports are sent home by Colonial officers, and issued as Government papers from the Colonial Office. Much more exhaustive information is, of course, obtainable as to the commerce of the leading Colonies.

Special arrangements in the interests of British trade have been made with regard to the four Dominions by means of Trade Commissioners. Under the name of His Majesty's Trade Commissioner, an expert has been appointed to look after British interests in Canada, Australia, New Zealand, and South Africa. The office of the Trade Commissioner for Canada is in Montreal, and the telegraphic address is "Britcom"; that of the Commissioner for Australia in Melbourne, telegraphic address, "Combrit"; that of the Commissioner for New Zealand in Wellington, telegraphic address, "Advantage"; and that of the Commissioner for South Africa in Cape Town, telegraphic address, "Austere".

These special Commissioners thoroughly acquaint themselves with the Colonial and the home markets for the purpose of seeing how British industries may be pushed in their spheres of influence. For example, the Trade Commissioner has established a Bureau of Commercial Information at Cape Town, where British firms are invited to send particulars, price lists and catalogues, but not samples. It is the duty of

the Trade Commissioner to get in touch with all centres of industry, and to establish correspondents in all likely places; to advise the Board of Trade upon possible openings for trade, tenders invited or contracts open, in which the British manufacturer may be supposed to be interested; as well as to notify changes in customs duties and regulations and other commercial matters. Introductions can also be furnished to British manufacturers visiting the Colony, and experience has shown that where particular requirements and specifications are strictly heeded, and prompt shipments are made, there is a strong desire to do business with British firms. The Commissioners are authorized to reply, as far as possible, to enquiries from British traders; but it is desirable to address these enquiries in the first instance to the Commercial Intelligence Branch.

In addition to these representatives, the Commercial Intelligence Branch of the Board of Trade has Correspondents throughout the Dominions. In many cases Government officials act in this capacity. These Correspondents are in—

Canada

British Columbia: Vancouver and Victoria.

Manitoba: Winnipeg.

New Brunswick: St. John.

Nova Scotia: Halifax.

Ontario: Toronto and Ottawa.

Quebec: H.M. Trade Commissioner, Montreal;
and Correspondent at Quebec.

Newfoundland: St. John's.

Australia

The Commonwealth: The Comptroller-General of Trade and Customs, Melbourne.
 Victoria: H.M. Trade Commissioner, Melbourne.
 New South Wales: Sydney.
 Queensland: Brisbane.
 South Australia: Adelaide.
 West Australia: Perth.
 Tasmania: Hobart.

• *New Zealand*

H.M. Trade Commissioner, Wellington; Correspondents also at Dunedin and Auckland.

South Africa

Cape Colony: Cape Town and Port Elizabeth (and for East London).
 Orange Free State: Bloemfontein.
 Natal: Durban.
 Transvaal: Pretoria and Johannesburg.
 Rhodesia: Bulawayo.

There are also Trade Correspondents in British India and in the Crown Colonies and Protectorates. These are indicated in Chapter VI, where the particular Colonies are dealt with. Enquiry should be made at the time as to the official, firm, or private person acting in this capacity. In some cases the Colonial Secretary or Chief of Customs is the correspondent, but not in all cases is the correspondent otherwise an official person.

Colonial Representatives in London •

• The self-governing Dominions have their own representatives in London, and trade enquiry offices have been established for Canada, the Commonwealth of Australia, New South Wales, Victoria, Queensland, South Australia, Western Australia, Tasmania, the Dominion of New Zealand, and the Union of South Africa. For the smaller Colonies and Dependencies the Crown Agents for the Colonies in Whitehall act. (See Part I, Chapter IX.)

PASSPORTS

British subjects who travel abroad on business are recommended to secure passports from the British Foreign Office in all cases. In those countries where they are no longer obligatory they are often useful as a ready means of identification. The special regulations relating to various countries are given in connection with the information in Chapter VII. It will be understood that in ordinary cases, subject to the above caution, no special requirement is in force.

Application for passports must be made on a printed form as follows:—

(A) •

DECLARATION TO BE MADE BY APPLICANT FOR PASSPORT

. 19

I, the undersigned aged years, profession at present residing at hereby declare that I am

[For a married woman or widow (to be struck out in other cases). Particulars of husband's birth to follow.]

the wife of and that my husband is widow husband was having been born at on the day of

[For persons born abroad, who derive British nationality from a father or paternal grandfather born within His Majesty's Dominions. (To be struck out in other cases)].

my (his) father paternal grandfather having been born within

His Majesty's Dominions at on the day of and not having lost the status of a British Subject thus acquired, and I hereby apply for a passport for the purpose of travelling to

I further declare that I have no Passport already in my possession (other than that those which I annex hereto for cancellation).

Signed..

And I, the undersigned of hereby declare that to the best of my knowledge and belief the Mr. above-made Declaration of the said Mrs. is Miss

true, and that he she is a fit and proper person to receive a Passport. Signed

[In the case of children under the age of 14 years requiring a separate Passport, the Declaration must be made by the child's parent or guardian in a form (B) to be obtained upon application to the Foreign Office.]

Specimen signature of applicant, which will be detached and affixed to the Passport when issued.

.....

.....

This form should be filled up and put in an envelope addressed: The Passport Department,

Foreign Office, London, S.W. The form must reach the Foreign Office before 5 p.m. on the day prior to that on which the passport is to be issued. The charge for each passport is 2s.

There is a Foreign Office Passport agent at Hull.

Personal application should be made between 11 and 4 (on all ordinary business days) on the day following that on which the application has been received. If the applicant does not live in London, the passport may be sent by post, in which case a postal order (not stamps) for 2s. should be sent with the application.

Passports are granted:—

(1) To natural-born British subjects, i.e. persons born within His Majesty's Dominions, and those born abroad who derive British nationality from a father or paternal grandfather born within His Majesty's Dominions, and who are, according to the law, adjudged and taken to be natural-born British subjects;

(2) To the wives and widows of such persons; and

(3) To persons naturalized in the United Kingdom, the British Colonies, or India.

A married woman takes the nationality of her husband.

Passports are granted to persons either known to the Secretary of State or recommended to him by some person who is known to him; or:—

(1) In the case of natural-born British subjects and persons naturalized in the United Kingdom, upon the production of a Declaration by the applicant in the form given above, verified by a Declaration made by any Banking Firm established

in the United Kingdom, or by any Mayor, Magistrate, Justice of the Peace, Minister of Religion, Barrister-at-law, Physician, Surgeon, Solicitor, or Notary, resident in the United Kingdom. The applicant's Certificate of Birth may also be required in certain cases;

(2) In the case of children under the age of 14 years requiring a separate passport, upon production of a Declaration made by the child's parent or guardian, in a special form, to be obtained upon application to the Foreign Office;

(3) In the case of persons naturalized in any of the British Colonies, upon production of a Letter of Recommendation from the Colonial Office; and in the case of natives of British India, and persons naturalized therein, upon production of a Letter of Recommendation from the India Office.

In the case of a naturalized British subject, the Certificate of Naturalization must be forwarded with the Declaration or Letter of Recommendation.

A Passport is available for 5 years. A Passport cannot be issued on behalf of a person already abroad; such person should apply for one to the nearest British Mission or Consulate.

In certain cases the Passport must be taken to the Consulate in London, or any other place in the United Kingdom, of the country about to be visited, before leaving, in order that such Passport may be *visé*. This is necessary in the case of the Russian Empire, the Turkish Dominions, the Kingdom of Roumania, Persia, Colombia, Venezuela, Hayti, and Eritrea. See the special regulations affecting Passports in the various countries of the world noted in Chapter VII.

EMIGRATION INFORMATION

The Emigrants' Information Office is in Broadway, Westminster, and under the control of the Colonial Office. The Committee of Management is appointed by the Colonial Secretary. It is supported by Government grant and, in addition to information as to the Colonies, now gives particulars of the conditions obtaining in certain foreign countries where emigrants may be expected to go.

The Office issues various publications including: A Quarterly Poster exhibited in all the post offices; Quarterly Circulars on Canada and the Australasian and South African Colonies (with monthly supplements), and Circulars on the Emigration of Women (all free); Penny Handbooks with maps on Canada, each of the Australian States, Tasmania, New Zealand, Cape Colony,

Natal, Transvaal, and Orange River Colony; a Professional Handbook stating the necessary qualifications for the various professions, civil servants, commercial travellers, police, railway employees, &c., in the Colonies (3d.); Emigration Statutes and general Handbook (3d.); Pamphlets on West Indies (6d.), Newfoundland (1d.), Malay States (6d.), Ceylon (1d.), East African Protectorate, Uganda, Nyassaland Protectorate, and West African Colonies (6d.); and occasional pamphlets on foreign countries. The Office also publishes a column in the Board of Trade monthly *Labour Gazette*.

Products of the various countries can be seen at the Imperial Institute, South Kensington.

Most of the enquiries dealt with are from the poorer classes.

CHAPTER IV

BRITISH OVERSEA TRADE

Methods of Foreign Trading—The Foreign or Colonial Representative—The Colonial and Foreign Markets—
British Trading Methods—The Import Trade.

A business may be confined to the home trade; and with the home trade, in its various aspects, we have dealt fully in Part I of this work. The foreign trade undertaken by a British firm may be a development of its home trade; or, a firm may be entirely occupied with oversea trade, export or import as the case may be. The export and import trades introduce problems that are unknown in domestic trade, and in the export trade especially much energy and money may be wasted through ignorance of the conditions prevailing in the oversea markets where business is attempted. The closest study of the special requirements of local markets is the key to the extension of oversea trade.

There may come a time in the development of

a business when its proprietors find the home market too limited for their output and enterprise. They have reached the point where expansion of the selling field is necessary. It may be that they have captured the home trade almost to the limits of its absorbing powers, although such cases are rare. It may be that foreign or domestic competition is reducing output or curtailing profits, so that the former measure of prosperity can be maintained or regained only by seeking purchasers farther afield. It is decided to tap an oversea market—colonial or foreign. But it is perhaps uncertain which oversea market is best worth exploiting. The problem is not only where to find an outlet for trade, but where to find the best outlet.

METHODS OF FOREIGN TRADING

The first method, viz. that of doing export trade exclusively through special export houses in the United Kingdom, is less adopted than was formerly the case; the tendency is for the extension of the second method—direct relations between producer and importer. The foreign customer endeavours more and more to get into direct touch with the producer, as he naturally thinks that by avoiding all intermediaries he is more likely to purchase on favourable terms, and to receive better attention. But all the leading importers in British colonies and foreign countries have buying agents in Britain, acting on instructions for a commission.

The third method of working oversea trade demands much more extensive selling machinery, and a much greater outlay of capital. It consists of opening relations, not with the large importers, but with the smaller distributors. This is the

method that offers the greatest prospects of finding a footing. It requires more capital, because the smaller buyer is less likely to be willing to pay for goods upon receipt of the shipping documents. He will probably ask for credit; and it may be long credit.

What we may call the fourth method is that the manufacturer or exporter should hold local stocks in the market that he intends to cultivate. This method is the most expensive of all, requiring the sinking of much capital. But for some classes of business it is the most desirable. For instance, the largest firm of tube manufacturers pursues this policy extensively. This method suits many local buyers better than any other because they do not require to anticipate their wants so far ahead. It is, however, against the interests of the large importing houses, whose business it is to hold stocks

for the smaller distributors and the consumers. But there is no doubt that, given a sufficiency of capital, it is the method that is most remunerative to the manufacturer. It faces the competition of those who do not adopt a similar method with a deadly weapon.

Opinions differ considerably, but it may be said that for the smaller house the system of appointing special agents in different parts of the world is less costly and more satisfactory; whereas for the large manufacturer or merchant the method of dealing direct will, in the long run, probably prove more profitable. In appointing an agent one gets the use of his connection and his specialized knowledge of local conditions; although this carries with it the unavoidable drawback, to a large extent, of dependence upon a single individual, whose interests may not always be identical with those of his principals.

The easiest way to seek an entrance into the direct export trade, as we have seen, though not always the most effective way, is to introduce the goods to the merchant shippers in this country. There are large merchant shippers in the cities of Britain, but chiefly in London. It is easy to get into touch with these houses, and the methods of approach are the usual ones—letters, catalogues, and personal visits. The last method is the best one. It has this advantage, that even if it should prove unsuccessful from the order-yielding point of view, it takes the would-be exporter some little way on the road to a knowledge of what is lacking in the goods offered, in their prices or in the terms of credit, so that the seller is able to decide if he can modify his wares or terms to meet the demands of the buyers.

But an exporter cannot obtain proper command of a market merely by working the merchant shippers. He can secure all that an overseas market can yield him only by personal contact with the field of consumption, by having a resident agent or traveller, or by sending out a representative periodically. Thereby he is able to know the competition that he has to face in the market he is exploiting, and to learn what policy is likely to yield him the best return. Different merchant shippers serve different markets, and amid the wide variety of markets the manufacturer is perhaps uncertain where is the most promising opening for him. He wishes to know as much as can easily be learned regarding the different importing territories, that he may decide the probable value of each for himself.

The Value of Official Statistics

A good deal about the value of an overseas market may be learned from official statistics, and

these should be consulted by any manufacturer surveying the general export field. Few manufacturers know how much information may be got from official figures—British, Colonial, and foreign. An object lesson in the use of statistics from the practical point of view may be given with advantage.

Let us assume that a British manufacturer of boots and shoes wishes some information about the markets worth attacking. By consulting the British Board of Trade returns—the precise volume being the *Annual Statement of the Trade of the United Kingdom*, which is issued every spring—he can find that the quantity of boots and shoes exported annually is about 800,000 dozens of pairs, and that the total value of these at the port of shipment from this country is about £2,000,000. He will also find that three-quarters of the total value goes to British Colonies, and only one quarter to foreign countries. Other facts that will be apparent if he looks for them will be that foreign countries purchase on the average boots and shoes of a better quality than British Colonies, the respective average prices per dozen pairs being 73s. and 47s.; that France is by far the most important foreign market for British boots and shoes, purchasing one-third of the total to all foreign countries; that South Africa is by far the most important Colonial market, purchasing more than half the total value exported to all Colonies; and that New Zealand and Australia are the next most important Colonial markets. Now let us assume that our manufacturer is attracted to the Australian market because he believes that another manufacturer, whose goods resemble his own in material, style, and price, has developed a fair trade there. He finds that the Australian market purchases about £150,000 worth of British-made shoes annually, and that the Australian State buying the greatest quantity is New South Wales, but that the price of shoes going to that State is very low, being about 2s. per pair, an indication that the trade is principally in slippers.

The annual Bluebook cannot carry the manufacturer much further in his quest, but if he consults the *Official Year Book of Australia* he will learn that the domestic manufacture of boots and shoes is assuming great proportions in the Commonwealth. There are about 330 boot and shoe factories in the territory, of which 180 use power-driven machinery, the whole employing about 14,000 hands, of whom one-third are female. He can also see what wages are paid in the aggregate, and if he knows his own trade thoroughly he will be able to estimate how the wages in Australia compare with the wages in his own town. The

output of Australian boot and shoe factories is 10,000,000 pairs per annum, and of slippers 800,000 pairs per annum, the former providing more than two pairs per inhabitant.

The expansion of the boot and shoe trade in Australia will be apparent from the statement that in three years the value of plant and machinery sunk in the industry increased by 30 per cent. Thus it will be evident that the Australians are the strongest competitors for the trade in their own market, and are rapidly qualifying themselves to supply that trade. The knowledge gained by an examination of these figures may convince a manufacturer that seed sown in the Australian market is not likely to produce a bountiful harvest, and that he had better try to exploit another field. An enquiry into the section relating to Boots and Shoes in the current volume of *Colonial Import Duties* will reveal the fact that British boots and shoes entering the Commonwealth must pay a 30-per-cent *ad valorem* duty, while the same goods from other countries pay 35 per cent. The high duty will provide a sufficient reason why the Australian manufacturer is capturing his own market, and why the Australian market is not inviting to a stranger. If the home manufacturer cares to carry his research further he can ascertain what quantities and values of boots and shoes are sent to Australia by foreign countries, with the average price paid to each country; but before he has gone so far he has probably decided that he had better devote his time to

investigating the conditions in another field, Colonial or foreign.

We have carried our hypothetical boot manufacturer along on his quest solely to illustrate the possibility of gleanings of valuable information from the dry tables of figures of which trade returns for the most part consist. The subject might have been candles or clothing, wire or woollens; but any manufacturer or exporter may, if he chooses to investigate official figures, gather much information of a practical nature regarding his own trade in the oversea markets.

Merchants and manufacturers who are desirous of doing an export business should certainly avail themselves of Government information and statistics, especially when simplified as such material is in the *Board of Trade Journal*. The *Board of Trade Journal* is well worth the annual subscription, but it should be recognized that such a publication's services can be really successful only through the co-operation of British traders. Apparently the number of firms desirous of receiving special and confidential information as to tenders and openings for trade abroad is considerable. Admission to the register, kept for this purpose by the Commercial Intelligence Board, is now subject to the payment of a fee of one guinea, which includes the supply of the *Journal*. As this special class of information is of little service unless it is available immediately it is made known in this country, it is obviously advantageous to be placed on this list.

THE FOREIGN OR COLONIAL REPRESENTATIVE

The manufacturer or merchant who deals direct with his foreign customers by sending out travellers, or, if circumstances justify it, by opening branches in the foreign centres, incurs great expense, but gains compensating advantages in that his trade connections do not depend so much upon single individuals having other interests. Furthermore, being in direct touch on the spot with the consumers, he is more likely to know the exact requirements of the market and is better able to introduce new articles satisfying the ever-varying demands of taste and needs—a thing which will oftentimes give him a great advantage over competitors. It is perfectly true that a good agent with his local knowledge is also in touch with the requirements of his market; but he does not study the market from the single standpoint of the manufacturer.

It is impossible to name with precision the conditions under which agents abroad are appointed, for the very good reason that these conditions

vary, not only in every country and in every trade, but also according to the characteristics and even idiosyncrasies of the individuals concerned; good selling agents are so rare and valuable that they can command exceptional terms.

The Preliminary Visit

Although goods offered may not be sufficient to employ the exclusive services of a traveller, the buyers in the oversea market should be visited by a special representative of the house before its interests have been committed to the charge of a commission traveller. The visit of such a representative may not be directly and immediately remunerative, but a good footing can be obtained only by understanding exactly what the market requires, and there is only one way to such an understanding. Then, if the employment of a commission agent carrying the cards of several firms is seen to be the only economical way of

working the field, the choice of such a representative is likely to be more wisely directed with a knowledge of the market.

The special representative of the manufacturer who visits the Colony or foreign country should have wide discretionary powers. It is bad to tie him up to rigid rules and conditions. Both his firm and he should be adaptable to the requirements of the buyer. He should be a good practical man, so that when he receives suggestions regarding modifications of design and form, finish and packing details, he may understand what is said to him. A man who knows the goods he sells only from the catalogue he carries cannot appreciate such points when they are raised, and is unable to transmit them to headquarters to have them carried into effect. Having sent a man such as we have described to spy out the land and report upon its requirements, the house ought to back him up and give effect to his recommendations. It is as much an act of folly to ignore the counsels of the commercial as of the army scout.

The Permanent Representative

When the permanent traveller to work the territory is an exclusive representative he should be a man of qualities similar to those mentioned for a special commissioner. But when a commission agent with the representation of several houses is the man chosen, he cannot well be armed with powers so wide. None the less his recommendations should have full consideration. The man on the spot knows best what is required on the spot, and his advice, within reason, should be taken. It is bad to have as a representative a man with too many agencies. Travellers have gone abroad representing over twenty houses. No man can do justice to so many, and the manufacturer should insist upon a reasonable maximum, the number allowable, of course, being fitted to the circumstance of each case. A point of controversy between commission travellers and the houses they represent concerns, as it does with home travellers, the payment of part expenses as well as commission. The traveller invariably wants expenses, and manufacturers wish to pay upon commission only. On which side lies justice and policy? As usual, midway, and as usual each case must be judged individually. The manufacturers' stand of "no result, no pay" is good from his point of view. The travellers' contention, "why should I spend money and time talking up goods unless I get something for it whether business results or not?" puts his case in a reasonable light. As we have stated, the individual case must be decided on the merits, particularly upon those

of the man to whom the appointment is to be given. The manufacturer is not on the lookout for someone who will pocket an expense allowance and then do nothing for it. At the same time it is not always remunerative to make a connection, and it is unfair that the poor traveller should carry all the expense of the work of doing so, seeing that the connection once made will remain to some extent the property of the manufacturer even if he should change his traveller (see also Part I, Chapter XII; Part III, Chapter II).

The manufacturer may solve the expense problems in several ways. He may say: "If within twelve months you send me orders to the value of, say, £1000, I shall give you £100 in addition to the commission earned. That will pay you for your spadework in making a connection for me." Again he may say: "I shall pay you £50 for preliminary expenses, but nothing else except upon a commission basis". Either of these relieves him from a permanent dead charge for expenses, and it meets the traveller's objections to work for nothing. It is reasonable that spadework should be remunerated. It should be regarded as advertising. The manufacturer who advertises in a trade paper pays the rate whether business results or not. An agent travelling round and talking about his products, leaving catalogues and prices, is in the same category. The employer should see that he gets value for his money, but that value cannot always take the form of immediate orders.

The Interests of the Employer

It is almost needless to say that an agency should not be given to anyone representing a competing firm. An unscrupulous traveller will take an agency simply to kill it if he can. It does not suit his interest to have opposition, so he may send a few orders to keep the manufacturer quiet, working for the house that pays him best or whose goods sell most easily.

Manufacturers should try to appreciate the over-sea traveller's position. The expenses are heavy. Business centres may be very far apart and railway journeys expensive; there may be a commercial travellers' tax; and entertaining may be a necessary charge. Men have visited the British Colonies with a few agencies on a commission basis, and found the expenses so great that they have had to sell their samples to provide themselves with the price of a return ticket. Only men of some financial resources can hope to succeed on a commission basis in the foreign and Colonial market.

A first-hand knowledge of the field will prevent a manufacturer from giving a representative too

wide an area. A manufacturer may be approached with a request for his representation for South Africa, for instance. But the whole of South Africa is seldom covered by one man. Most representatives cover only a part of it, leaving the rest alone. This means that for the manufacturer some of the ground is allowed to lie fallow, and cannot be given to another man. Therefore provision should be made in any agreement with a representative that the agency is conditional on a proper working of a well-defined ground. (See Part III, Chapter II.)

The manufacturer with a small connection already established often tries to give his agent commission only on new accounts. This is nearly always unwise, being both unfair to the traveller and bad policy for the employer. The traveller should have the whole field in which he operates, and his commission should be paid on all business, whether he sends the orders or not. Indenting does not always immediately follow the efforts of a traveller, although his work may be responsible for business sent direct. In exceptional circumstances it may be fair to pay a lower commission on large accounts already opened, but fairness and policy both plead for the recognition of the representative in every order coming from his territory.

Thus far we have written more regarding the protection of the agent than of the manufacturer or merchant. Led away by the desire to obtain as much commission as possible, some agents might be apt to book all sorts of orders without paying due regard to the standing of the customer: it is sometimes found desirable, therefore, to have an arrangement with the agent that he is to participate to a certain extent in any bad debts incurred on orders secured by him.

Holding Stocks Overseas

The method of dealing through an agent at once falls under two heads, according to whether he keeps stock or not, and this is often a determining factor as to the amount of fixed remuneration

to be paid apart from commission; for if much stock is to be carried, it is, of course, but fair that the principals should contribute towards the cost of the necessary accommodation. Where the agent holds stock he usually renders invoices direct to the customer and receives payment, accounting to his principals for everything received.

Where the agent does not supply from stock he usually sends orders to his principals, who ship the goods to the customer, and it is generally found satisfactory for payment to be effected direct; that is to say, the customer either remits to the supplier, or the latter draws upon the customer, according to the custom of the trade. It is the general practice, however, even in such cases, for the invoice made out in the name of the customer to be forwarded to the agent, who notes the amounts and particulars, and forwards it on to the customer. This is done by the best houses, and has a double purpose, first to satisfy the agent as to the actual amount on which commission is chargeable; secondly, as a definite advice to the agent as to when his order was executed, and to what extent, whether in full or only partially—very important points for him to know in his further treatment of his customer.

There is no restriction upon the functions of a commercial traveller in Britain, but the unsophisticated commercial agent who goes abroad will find many regulations restraining his freedom of action, demanding payment of specific taxes and stipulating formalities regarding his conveyance of samples. These regulations vary in different countries. They may include the demand for a passport or certificate issued by a consulate or Chamber of Commerce, payment of duty on samples, registration at the police station, and payment of a commercial traveller's tax. Whatever regulations may apply in the country visited, they cannot be ignored without serious risk of penalty. The details of the regulations specially affecting commercial travellers in every British Colony and foreign country are specified in each case in Chapters VI and VII of this Part.

THE COLONIAL AND FOREIGN MARKETS

The first markets worth the attention of the British exporter are the Colonial markets where there is a preference upon British goods. These markets are Canada, South Africa, Australia, and New Zealand. The duty upon British goods is very little lower than the duty upon foreign goods in the South African and Australasian Colonies. But in Canada the preference is considerable. Hence the Canadian market is the first that should

be considered. The conditions of Canadian trade are considered at length in Chapter VI of this Part.

Two other reasons may be recorded in favour of the British Colonies as export markets for British goods. The fact that English is spoken in the Colonies enables the exporter to conduct his business communications in the native tongue of both the importer and himself. The second reason is

sentiment, which even in these mercenary days counts for a good deal. The Colonial is as keen to buy British goods as the exporter is to sell them, and generally strains a point in favour of the British article. There are Colonial houses whose instructions to the buyers of departments are to buy British goods even if the warehouse cost, including duty, is 5 per cent higher than the cost of foreign goods of the same class. Importers who allow their imperial sentiment to carry them thus far are rather the exception, it is true, but there are few Colonial houses who will not buy British goods in preference to foreign goods if they can do so without hurt to their own interests.

In contrast with this sentimental factor in the Colonial trade the British exporter has often to combat another and a somewhat hostile element in the foreign market. There, all things being equal, the verdict may go in favour of his adversary, so that he must be prepared to do more than merely sell as cheaply as foreign exporters in markets which both are attacking. The best evidence of this is found in the South American trade. Britain has, of course, first place in the import trade of South America, but large quantities of goods from the continent of Europe go to South America only, or mainly, on account of the inherited sympathy of the Latin races of the southern continent with the Latin races in the countries whence they trace their descent.

Competition in Neutral Markets

There are two forms of competition met with in nearly all overseas markets by the British manufacturer—domestic production and foreign competition. Domestic production is the most serious of the two forms because it is usually assisted by a customs tariff, and, where fiscal protection is scientifically adjusted, it is a very effective instrument. Take Australia and Canada, the United States, Germany, and France as typical markets where Britain sells her products. In all these territories duties are high, and, whenever local manufacturing interests are threatened by British or other outside competition, there is no scruple about raising the tariff wall by adding a few rows of bricks. These countries specialize in manufacturing, and the importing trade in them is small compared with the total consumption. Thus the articles imported can only be such as local production assisted by protective duties, is unable to provide. The British manufacturer entering such markets must specialize if he is going to gain a foothold.

There is more likelihood of freedom from domestic competition in a market with a small

population, such as Canada, Australia, Norway, and the South American Republics, than in markets with large populations, such as France, Germany, Russia, and the United States. Consumption in a sparsely populated market is comparatively small, and for very many manufactured articles production cannot be conducted upon a scale calculated to compete against the much greater output of older manufacturing countries such as Great Britain. For manufactured food products and most articles of clothing a market need not be large to make production easily possible, because the *per capita* consumption of such articles is great, and very large output is not necessary to low manufacturing cost. But, take such things as wallpaper, tubes, wire, steel, many chemicals, and watches. For these things and for many others large capital expenditure upon plant and machinery is necessary, and manufacturing on a large scale gives very much lower cost than production on a small scale. Hence such things can be profitably made only in countries that provide a large domestic market, and they are among the last things to be manufactured in the industrial development of a territory. But sometimes the heavy cost of transit compared with the value of the article makes it profitable to manufacture for a small market even at a very high manufacturing cost. Perhaps the best example of such goods is cement. A cask of cement worth about 5s. in Liverpool or London is worth about 12s. in Durban and 50s. or more at the Victoria Falls. Almost the whole difference is made up in the cost of transport. If the consumption of the Rhodesian market could enable cement to be made locally at 25s. a cask—more than five times the cost at Liverpool—its manufacture would naturally be a very profitable enterprise.

The manufacturer looking for a field for export, and seeking to gauge the likelihood of competition by domestic producers shielded by a tariff protection, will take cognizance of these natural economic tendencies. If he is looking for a field where his surplus output can find an outlet for a few years only, the prospect of future domestic competition does not matter much; but if the establishment of business agencies would be unwise unless under prospect of a fair permanency, he is discreet who looks ahead.

The second force of which the would-be exporter desires to test the strength is foreign competition in a neutral market. If a British manufacturer finds that in a given market the greater part of the imports in the class of goods in which he is directly interested comes from Britain, it is evident to him that his countrymen are able to meet foreign competition in that specific field. If also

he knows himself to be as qualified as any other British manufacturer to sell in the market concerned, there is no reason why a proportion of the trade should not be secured by himself. If, on the other hand, he finds that the foreigner, say the German or American, supplies most of the goods, then he knows that his chief competitors are not his own countrymen, and before he can estimate his powers to compete he must obtain a knowledge of the reasons for the foreign predominance. The British manufacturer has less to learn than his foreign rival regarding the powers of foreign competitors. The Free Trade policy of Britain brings foreign competition to his home market, and he knows that if he can give a satisfactory account of the home trade, he is qualified to dispute any neutral market with the foreigner. One, however, who holds his own domestic market with the help of protective duties, may be quite unable to compete in a neutral market, for he cannot estimate the relative strength from his own country as the British manufacturer can.

Even if a British manufacturer is hard beset by foreign competition at home, he may be able to beat the same competitor in the neutral field through the incidence of higher customs duties upon foreign goods than upon British goods. For instance, although the British manufacturer of machine tools may find American competition severe in the British Islands, he has the advantage over the American when he offers goods in France, because France places much higher duties upon American machines than she does upon British machines, which receive the benefit of most-favoured-nation treatment. In a similar manner the preference to British goods in the great British Colonies may give the British manufacturer an advantage calculated to bring him business, even if in his own market he is feeling the encroachments of foreign competition. (See Chapter II of this Part.)

Terms of Trading

The most satisfactory method of doing business, from the exporter's point of view, is cash before shipment of the goods or cash in exchange for the bills of lading. Large London shippers of first-class standing follow such terms, but if the exporter confines his dealings to such buyers he will miss much sound and remunerative business.

The system of credit in the export trade has grown up, and is as sound as it is in the home trade. This is no advocacy of indiscriminate credit, but the credit customary in a market may be taken to represent the credit which that market deserves. From the importer's point of view the desirability of credit is sufficiently obvious. He

sells upon credit so that he has always floating assets in the form of ledger debts. He has to hold large stocks on account of his distance from the sources of supply. If he paid for goods before they left the port of shipment he would be without the use of the goods or the money during the time consignments take to reach his warehouses. Even if he made arrangements with his bankers to pay cash, the interest that he pays is usually very high, sometimes 12 per cent per annum or more in the case of South America, and this would increase the cost of the goods very much, whereas interest on money in Britain is usually less than half that rate. Thus credit in the export field has come to be almost an economic necessity, and certainly has become fixed in practice.

When a foreign or colonial importing house has a buying office or a buying agent in London, the terms of credit are generally the same as when selling to a home buyer. The exporter sends the goods to the ship according to instructions given him by the buying agent, and then hands to the buyer the ship's receipt for the consignment. Accounts are then payable at a stated time thereafter, usually during the month following delivery of the goods, or at thirty days after invoice date. Under such conditions there is a cash discount of $2\frac{1}{2}$ per cent, perhaps 5 per cent. Each trade has its own practice on this point, and different practices may prevail for different markets. For prompt payments—say 7 days after receipt of invoice—the discount is generally a little more than the discount for 30 days' accounts, say 3 or $3\frac{1}{2}$ per cent in place of $2\frac{1}{2}$ per cent. The exporter soon finds out the discount prevailing in any specific market for which he sells; and it is always unwise to attempt to set up discounts different from those generally prevailing in the trade or field of operations. To attempt to do so is to introduce an irritating factor that disturbs the even flow of business relations. The buyer can compare prices easily only when the discounts, credit, and general terms of delivery are the same among the several people competing for business.

The credit terms in colonial and foreign business have been gradually lengthening. It is easy to see how this process has taken place. New competitors for trade invading the field had to offer an inducement, and 30 days' bills took the place of cash payments; then 60 days' bills superseded 30 days' bills, and now for many markets 90 and 120 days' bills are the rule. In other markets, such as the South American, the usual credit is six months, and even nine months is not unknown. It is almost impossible to do business on shorter terms of credit than those generally prevailing in the market and still sell at a fairly remunerative

price. Some large and wealthy buyers may pay cash if the price is sufficiently low to warrant them in doing so, thereby acting as their own bankers, but for the average importer lower price

cannot compensate for the shortening of credit. It is quite idle for the British manufacturer to think that he can capture a market unless he is willing to give the usual credit terms.

BRITISH TRADING METHODS

The indictment brought against the British manufacturer in the colonial and foreign trade is a heavy one. If everything alleged to his discredit were true, his trade would have gone from him years ago. It is clearly not all true, and even what may be true of one manufacturer is not so of all British manufacturers. Thus in repeating some of his oft-cited sins of omission and commission it must not be assumed that we bring a general charge against a class. We merely refer to the shortcomings of some individuals in a class.

Study of the Market

The most general complaint urged is that the British manufacturer is unwilling to provide the goods wanted by the market when the market asks for goods different in some details from those the manufacturer is in the habit of making. Many illustrations of this obstinacy can be adduced. One is sufficient. Australia buys a good quantity of ready-made clothing. The freer life of the average Australian and his different environment have had their effect upon the race. The average Australian is longer of limb and slimmer of body than the average Englishman. This demanded a modification in the relative measurements of the ready-made suits supplied; but the British manufacturers who had the principal share of the trade ignored repeated requests for the revision of sizes. Meanwhile the German had come to the door of the Australian importer. Australia's requirements, disregarded by the British manufacturer, were promptly met by the German, and a considerable share of British trade passed to the latter. That the man who sells the goods knows better what his customers require than the man who makes the goods might be supposed to be obvious, but unless this is frankly recognized by the manufacturer he himself will be the sufferer. There is too much competition for world trade to allow any manufacturer to pursue with impunity a policy that seeks to force the consumer to accept what he does not want.

Packing

There is justice in the complaint frequently levelled against the British exporter, that he is

given to making charges for packages and packing which are not made by exporters in the chief competing foreign countries. The earthenware and china trade, and some departments of the hardware trade, are instances where this practice prevails to the injury of British exporters. A charge for the labour of packing goods cannot be defended. Packing is an absolute essential of the operation of dispatch, and the price of the articles themselves should be framed upon a scale to cover it. There is a little more excuse for the charge made for the case or cask, crate, or wrapping in which goods are sent, but from the point of view of policy it is a mistake. The American or German shipper makes no such charge as a rule, and the importer appreciates the freedom from extra charges which he must take into account when reckoning up the gross costs of goods. Taking the case of earthenware and china already referred to, the foreign manufacturer has the goods packed by dozens or half-dozens in paper or straw, so that when unpacked and put into stock they can be handled with ease and speed. The British manufacturer, on the other hand, is wont to have the articles packed individually, and they must therefore be unpacked and stocked individually. The excuse given for this is that labour is much cheaper in the Continental countries, where much of that merchandise is made, so that what is possible there is not possible in Britain. But a bad excuse is never a good reason. Labour is much more expensive in America, where the practice we commend is followed. But the chief reason for the dozen or half-dozen packing is the fact that the buyers prefer it, and are willing to pay for it. One has only to hear the importer abroad talk on this subject to be surprised that a custom which cannot be defended can survive as it does. In special trades or markets custom may prescribe whether or not the price includes packing. Enquiries should be made as to this, where special packing, e.g. tin lining, is required in the export trade which would be unnecessary in the home trade; and quotations made accordingly.

If a catalogue price or a quotation does not include delivery to destination, the weight and bulk of the packages should be stated. If an importer knows that a consignment will weigh so many hundredweights gross, and will measure so many

cubic feet, he has the data to enable him to calculate the cost of transport. Without such information he may be quite at sea regarding an important factor in the gross cost price upon which he bases his own selling price.

Packing cases used for the export trade should fit their contents. They should not be too large for the goods, with the spare room filled by straw or other packing material. Such a recommendation may seem almost too elementary to require recording in an article on the export trade, but experience teaches us that many British exporters are sinners in this respect. Importers in other lands sometimes express themselves with warmth upon this point. Long ocean freights are high enough without being increased by the inclusion of so many cubic feet of quite unnecessary straw; and although straw may not weigh much, the size of the case in excess of that absolutely necessary adds a weight that must be paid for in inland railway freight if the goods require railway transport after reaching the quay of the importing country.

Foreign exporters are more given to selling goods in original packages, charging nothing for the container, than British exporters are, and the latter can afford to take a lesson by example on this point. Many British exporters not only charge for packages, but take a handsome profit on the cost price of these. This practice is inexcusable. For the home trade, where the railway companies charge a nominal sum for returned empties, the buyer has little to complain about if he is charged a high price for casks or crates, because he can return them to the seller at little expense; but the importer cannot do so.

Skill in the art of packing is as important as the other points regarding packing that we have touched upon. Breakable goods require much more careful packing for export than they do for the home market. Some cast-iron stoves once arrived in Kimberley, and of these sixteen out of the total consignment of eighteen were delivered broken. And this was not by any means exceptional. South African hardware dealers sometimes refuse to handle stoves simply because the excessive breakage connected with the trade makes it result in a loss every year. From the sixteen stoves mentioned it was found possible, by taking parts from some and fitting them to other parts of others, to construct three perfect stoves, but even then the loss was thirteen out of eighteen. It was impossible to make a profit on the five good stoves. They cost almost four times what they ought to have cost, and even in a land of high profits it was not possible to sell at 300 per cent over invoice cost, plus carriage.

Better packing would not perhaps have carried every one of the eighteen unbroken from Glasgow to Kimberley, but it would have obviated a great deal of the breakage. Packing is an art. It consists, not in the use of much packing material, but in its employment in the places where strain is to be felt. In the trade we have mentioned—that of cast-iron stoves—the Americans are adepts at packing, and, although their castings are thinner than the British, and their packing material not so generous in quantity, their breakages are on the average much smaller. This is the chief reason why the American cast-iron cooking stove has won a firm hold on the South African market.

Delivery

Reasonable promptness of delivery is urgently required by importers. As a rule they have to purchase far ahead, and it is difficult to gauge forward wants accurately. It may happen that a consignment may be delivered before there is urgent need for it, but the reverse is more probable. In many importing markets local price is decided not by cost price but by the condition of local supplies. If one importer finds that nobody but he has a stock of three-furrow gang ploughs he puts up the price of these implements by a sovereign. In a week several consignments may have reached the market, and at once the price goes back. When the market is far from the source of supply the barometer of price rises and falls suddenly to a degree that the British trader can scarcely appreciate. These facts will show the high service rendered to the importer by prompt shipment of his orders. Cable orders should, of course, have precedence of all other business. A stock order is to replace probable wants. A cable order is to provide against present or imminent shortage of stock.

Catalogues

It goes without saying that a traveller in a foreign country should be familiar with the language of the country where he solicits business. He cannot expect good results otherwise. But in addition to this, catalogues should be in the language of the purchaser also, and this is a rule that is still too frequently ignored. More than this—the design of catalogue work, when there are designs introduced into the display of typed description, ought not to be calculated to offend the prejudices and tastes of the purchasers. Buyers in Britain purchase American and German goods, but they rather resent Stars and Stripes,

or the German Eagle, when flaunted before them too conspicuously. So it is with other foreign nations. A judicious use may be made of a national or imperial emblem or legend when seeking trade in the Colonies, but when offering goods in foreign countries, to introduce these distinctive marks into the catalogues and other trade literature is apt to create the reverse of the impression desired.

Currency, Weights, and Measures

The trade literature and catalogues for the export market should be specially designed to appeal to the market attacked. The currency and weights and measures used should be those of the importing market, not those of the exporting market. The reason for this recommendation is too obvious to need detailed statement; and yet it has been said that a quarter of the British foreign trade has been lost simply because weights and measures in accordance with the country of purchase have not been adopted. Some large importers in the Colonies and foreign countries may tell the enquirer that they prefer to buy in British standards and currency and have no wish to purchase according to the standards by which they sell. They have become specialists in importing, and it is to their interest to prevent importing being made easy for other traders who at present purchase from them. The interest of the exporter, however, lies in following a policy that will convenience the greater number of importers or possible importers, not in playing into the hands of those who have a qualified monopoly in the import trade of a specific territory. Thus attention should be paid to local standards where such a course is calculated to swell returns, which is nearly always.

Quotations

Quotations for the export market are usually made f.o.b. a British port, that is to say, the price quoted includes carriage to the port of shipment and the expense of conveyance on board the ship, or the terms may be free alongside the ship (f.a.s.), from which point the goods belong to the consignee, who takes all risks thereafter. Large importers in oversea markets usually purchase on f.o.b. terms, as they make their own shipping arrangements. But the representative working an importing country may solicit business from traders who are not so familiar with shipping procedure and rates as the large importers and who may wish a price c.i.f., that is, including cost of the goods, insurance, and freight. It is always

well to be able to give the price at the other end, although there are many cases where such a price is not wanted.

In one of the suburbs of Paris a person wished to purchase a sewing machine. Knowing a little of sewing machines and their makers—both German and British—a friend who had relations with foreign houses wrote to a British manufacturer and to a German manufacturer for catalogues and prices. The British manufacturer quoted a price delivered at any British port. To know the total cost required a calculation of freight, insurance, delivery charges, and duty, all of these being uncertain quantities, the specific amounts of which even could not be guessed. The German manufacturer quoted a price inclusive, delivered on the doorstep. Need it be said which offer was accepted? It is not always possible to give such a comprehensive quotation as the German manufacturer did in this case. His business relations in France enabled him to include all these extra charges. But the incident shows how orders may be more readily secured when the seller is able to quote a price for the goods delivered.

Especially when appealing to the buyer who has not been used to do an import trade, as comprehensive a price as possible should be given. If he knows the total cost he can compare the quotation with the price he has formerly paid for similar goods. Another advantage is that a competitor who does not put himself to the trouble of quoting on this basis has little chance of ousting one who does. There may even be a good profit in the freight. The sender can often take advantage of the opportunity of a cut in freight rates, and the saving may mean so much profit to himself. Where the importing market is served only by a shipping combine this possibility does not, of course, exist.

Every man engaged in the export trade ought to use a cable code—for preference one of the well-known codes—and he should intimate the fact upon his business stationery. (See Part I, Chapter VII.) He should also have each article in his catalogue coded, because in sending a cable an importer always gives preference to a firm who make provision for economical use of the telegraph service.

Certificates of Origin

Most of the Colonies and foreign countries demand that the invoices of goods imported should be accompanied by properly executed certificates of origin. It is always so when the territory is a British Colony that gives preferential duties to British goods instead of higher duties charged

upon goods from foreign countries, and it is generally so in the case of a foreign country where there are different scales of duties—one for those countries treated to the “most-favoured-nation” terms, and another, or several others, upon higher scales. All the regulations prescribed by any country or Colony must be complied with. Non-compliance may cause the importer at the receiving end a deal of trouble, and may even hold up the goods sent him until the regulations have been obeyed. There is a strong temptation, especially for those inexperienced in the export trade, to disregard the explicit conditions put forward as necessary by the importing country, but rigid compliance is the only policy that is satisfactory in the long run. The Board of Trade publishes periodically a return showing the different certificates of origin that are necessary in the various countries and Colonies. Those required in British Colonies where a British preferential tariff prevails are given elsewhere. (See Chapter VI of this Part, Australia, Canada, New Zealand, and South Africa.)

Shipment of Goods

The procedure for shipping goods abroad is simple, but we may glance at the routine followed when an oversea order is being executed. Let us assume that a manufacturer of woollen goods has received an order from a German firm for a parcel of his specialities. The buyer may have instructed him as to the route by which he wishes the goods to be sent. If so, the exporter simply follows these instructions. If no specific instructions regarding route have been given, the exporter's best course is to entrust the forwarding to a firm of Continental carriers, of whom there are many, especially in London. This course obviates any risk of error in transit, as such carriers are naturally familiar with the regulations of the railway and shipping companies, the customs declarations, &c. Upon application the carriers will send to the exporter a form of consignment note, which the latter will fill in with the details for which it calls, i.e. the nature and quantity of the contents, the value, the weight (net and gross), and a few other particulars. The carriers' carman will call for the package if within their radius of collection, and will sign a receipt for it. If outside that radius they will instruct the seller how to send the goods to the port or terminal station where the consignment will begin its actual journey to its German destination. The responsibility for delivering the goods to the consignee falls upon the carriers, and if the exporter has received the signature of the carman who took possession of the package, he need trouble no more about the carriage of the

package unless he should hear from the consignee that delivery has not been made. In the latter event he will, of course, hold the carriers responsible.

The only other point that concerns the exporter is that he should receive payment for the goods sold. What were the terms of payment upon which the goods were sold? If ordinary trade credit is given—say one or three months' account—the account will be rendered in the usual way for payment. But, especially if the customer is little known to the seller, the terms may be cash upon delivery. The carriers will undertake the collection of the amount, and will, if instructed, hand over the package only on payment of the account. When a transaction is upon this basis its terms should be clearly understood by the customer; as, if the purchaser should, through a misunderstanding of the terms of sale, refuse to pay on delivery, the package will be left in the hands of the carriers in a foreign city at the charge of the exporter. The risk of such a development requires that the conditions of payment should be clearly known to the buyer and accepted by him in writing before the goods are dispatched. Before an order from abroad is accepted it may be well to ask for two references from exporters with whom the buyer has been doing business. The ability to furnish such references is some guarantee that the importer is familiar with import terms of payment, and if the terms given are the usual credit terms, the references will be able to say if the buyer is in the habit of meeting his obligations on their due dates. (See Part I, Chapter VI.)

This is a fitting place to give a word of caution regarding the practices of so called “long firms” operating in some Continental cities. A few years ago Holland was a nest of such firms, and although their activities have been less open for some years, they are still laying traps for the unwary, and are liable to develop their systems in fresh spots. A “long firm” (not unknown also in home transactions, but then more easily amenable to the law) is a gang that buys goods with no intention of paying for them, but simply that they may be sold at once for as much as they will fetch—always under actual value. The warnings of the trade press gave a set back to long-firm practice, but it is apt to reappear in other forms.

Shipments by Ocean Routes

Let us suppose that the buyer is farther away than in Germany, and that the goods must make a long ocean voyage. Many foreign countries, as we have already seen, require certificates of origin

to accompany all goods imported. Often the certificate of origin must be attested before the consular agent of the importing country, a proceeding that entails a stipulated fee, differing in many countries. Goods that are to benefit under the preferential tariffs of Canada, South Africa, Australia, or New Zealand must have special certificates in approved form. We shall assume that the exporter has made himself familiar with the regulations of the country whither his goods are being sent; and that the purchaser has agreed to pay for the goods on presentation of the shipping documents, accompanied by the bill of lading. The "documents" comprise the invoice for the goods (perhaps in duplicate or triplicate), the certificate of insurance, the consular certificate (if one is necessary), and the Bill of Exchange for the amount stated in the invoice.

The first proceeding of the exporter is to decide by what route the goods are to be sent. If the customer has given no instructions as to route, quotations may be obtained from the various shipping companies serving the ports of the country of destination. If the point of destination is inland, it is always wise to obtain a through rate, which should include transshipment charges, primage, dock dues, and all charges to destination. Such a rate will probably quote ocean freight at so much per cubic ton (40 cubic feet) for ordinary merchandise, and the rail portion of the transport will be quoted by weight. If the goods are of a heavy nature, the ocean freight will be by weight also, not by measurement. Insurance can be effected through the shipping companies also. The risks covered should be carefully noted. For instance, breakage does not apply to glassware, except when insured at very high rates, and it may prove unremunerative to insure such a risk.

When the shipping company has been selected, the bill of lading must be made out. The forms may be obtained from the shipping company or from their authorized agents. Several copies of the bill of lading—perhaps four—may be necessary, and two of them will require a stamp. One unstamped copy is retained by the exporter as evidence of the nature of the contract, one is given to the shipping company, and the stamped copies are attached to the other documents—invoice, insurance certificate, consul's certificate (if any), and bill of exchange.

The shipping company provides special consignment notes wherein are recorded the details required by the customs—weights, descriptions, marks, &c.—and such details must be properly filled in. Then the goods are sent off to the steamer that is to take them, and the carman who collects them signs for their receipt. The bills of

lading are given to the shipping company, and in a few days they are given back to the exporter signed and with the company's charges filled in, these being in accordance with quotations given. The company retains one unstamped copy for its own purposes and the exporter retains one copy. The other two, which are stamped, are put with the other shipping documents already mentioned, all of which are handed to the banker of the exporter in time to go by the given mail to the banker's agent at the place where the goods are being sent. The banker's agent presents the bill of exchange to the purchaser of the goods, who will pay the amount stated thereon, and then receive the bills of lading entitling him to possession of the goods as soon as they reach their destination. The exporter thus receives payment for his goods from his bank. The proceeding detailed has assumed that the transaction is for cash on receipt of documents. The terms may be for bills at 30, 60, 90, or 120 days, in which case the purchaser gives a bill at the proper period and receives the bills of lading in return for it, or on taking it up at a bank. For some cargoes—notably coal—a ship is chartered, on time or voyage charter. The document of title is then the charter party. Such is the process of dispatching goods to an oversea buyer. Although it may seem a little complicated, in reality it is very simple, and trading to the ends of the earth is, through the joint agencies of the shipping companies and the banks, as secure as trading in the same city. (See further, Part VI.)

British Representatives Abroad

Criticisms of British methods have not ended with the manufacturer. We have spoken in other places of conservative methods in respect to foreign correspondence (Part I, Chapter VI); and of the advisability of men of business acquainting themselves by foreign and colonial travel with foreign languages and business customs. Too often the young member of the firm sent abroad to represent the house, either on a special voyage or as resident manager, has had no preparation for the control he is supposed to exercise; nor has he necessarily been trained in such a way as will lead him readily to acquire the knowledge and adapt himself to the local conditions. If sent to a new district, he will carry there only home methods; if to an established centre, he may merely associate with his own people and introduce no new blood or system into the business life. British traders abroad are still too aristocratic, keeping to themselves, carrying the devotion to sports and pastimes of the mother country

into the foreign settlements, but often failing to compete in the industrial life with the more energetic Continental and American settler. The British pride of race and language makes them reluctant to engage in commercial competition in places where they were once unchallenged, but where they are now often severely handicapped in their struggle with better equipped and more hard-working rivals. Of this criticism we hear much from our special representatives sent abroad and from our consuls, and as to the deficiency of the latter organization itself much also has been heard in recent years. (See Chapter III of this Part.)

THE IMPORT TRADE

So far we have spoken of the oversea trade from the exporter's standpoint, but the large houses of export are often the media through which the imports from the Colonies and foreign countries reach the home market.

Produce

Merchants who export Manchester and Glasgow goods to the East also import tin or spice from the Straits; and, in fact, general merchants import the produce of the various countries which accept our exports in return. Trade is seen to be very literally an exchange, often by the example of the transactions of one firm. Import trade methods are the exact counterpart of those obtaining in the export trade.

The ocean cable has revolutionized the old system under which vessels discharged their cargoes of staples on the home market. Now the market prices are cabled from day to day from the ends of the earth, and sales are made for fixed forward shipment or delivery at these prices. The sales are in accordance with the rules of the London or other Exchanges, and are made through the brokers going on 'change. Terms of sale, as in the case of export orders, may vary. For example, the quotation for Straits Tin may be a price c.i.f. shipment in given months from Singapore; or cost and freight, the buyer insuring. When the shipment takes place, the name of the vessel is telegraphed home, and the particular lot is declared against the sale. The bill of lading, accompanied by a draft at so many days' sight, is handed to the branch bank in the East, and transmitted by them to their office in London. The bill is presented for acceptance to the London firm or the buyer, and taken up on arrival of the ship in return for the bill of lading.

More rarely a cargo may arrive in London or other docks sold on "landed terms" or unsold, in which case the goods will be landed at the docks or wharf at the consignor's expense, and in exchange for the bill of lading, dock warrants in lots, or a delivery order on the wharf, will become the title to possession.

If the goods are sold, the presentation of the warrants to the buyer will then entitle the seller to payment. If the goods are unsold, they can be placed upon the market for immediate delivery. The liability for the landing and dock charges will be upon the seller until the buyer has taken up the document of title. A knowledge therefore of dock and wharf charges may save considerably in handling goods on arrival. (See Part V.)

Manufactures

These remarks apply to produce and raw materials, such as copper, tin, wool, and cotton. They do not apply to ordinary merchandise, such as wearing apparel, and household goods such as are sold by our retailers and stores. The import trade for such articles is principally in the hands of large houses—American merchants, Continental merchants, and others—in our great commercial centres. Buyers of fair quantities of manufactured merchandise may, however, often do much better by trying to get into direct touch with foreign manufacturers. Supposing that a firm buys fair quantities of German cutlery or cheap jewellery, American lawn mowers, French wines, French gloves, American roll-top desks, African ostrich feathers, or Japanese silks, and that they have been purchasing these from a large London importing house; they may save a good deal of the importers' profit for their own benefit by getting into direct touch with the foreign manufacturers of these goods. At the first attempt they may probably find that the manufacturers to whom they apply refer them to the importers from whom they have been purchasing in the past. That need not be a final discouragement. There are many makers of German cutlery in Solingen, many wine-growers in France, many makers of lawn mowers in America. All are not fixed in their relations in this country, and some are to be found willing to open trade with any buyer when payment is prompt. It is not difficult to get the names of manufacturers. There are foreign directories in many of our public libraries,

and in the Commercial Intelligence Department of the Board of Trade, that may be consulted. An elementary knowledge of French or German will enable an importer to extract many names that may well be worth the cost and trouble of a letter of enquiry. The replies may be in a foreign language, the sizes in foreign standards, the prices in foreign currency. What of that? To render them into their English equivalents is not a hard task, and then it can be seen if any advantage is offered by importing direct. If buying can be done and money saved, it is well worth the trouble. The importer will become able to compete better with his rivals trading through other houses, and to sell at the same price but

with a larger profit. He will probably have to pay cash for his purchases, but the saving will more than compensate for his prompter disbursements. The carriage charge of a journey direct from the foreign producer to his warehouse will be less than the carriage from the producer to the big importer and from the latter to him. The profit of the big importer will also be saved by the trader who secures direct relations. *

The best method is, of course, to visit the countries where there is likelihood of advantageous buying. A holiday in France or Germany with a business quest as an ulterior object may then be made to pay its own expenses and something more.

CHAPTER V

THE RESOURCES AND TRADE OF THE UNITED KINGDOM

Introductory—Shipping—Forests—Agriculture—Food Importation—Fisheries—Minerals—The Cotton Manufacture—Woollen and Worsted Manufacture—Linen and Jute Manufacture—Minor Textile Industries—Leather Industries—Minor Industries—British Exports and Imports—Minor British Islands.

INTRODUCTORY

The next three chapters aim at being a résumé of facts bearing upon the trade and commerce of the United Kingdom with foreign countries, with the British Dominions and Colonies, and with India and the Dependencies. It will be sufficient to attempt to elucidate the mass of statistical information without entering into any argument, or discussing any theory as to the state of trade between the United Kingdom and these countries. The general effect of tariffs has been already discussed, and whether or not the imposition of a tariff would have a beneficial effect upon those industries which, on the one side, are said to be decaying, and, on the other to be flourishing, need not enter into our calculation. What is attempted is to compare the commercial conditions of the British Empire with regard to the trade which is done between Britain and foreign countries and the Colonies, and between foreign countries and the Colonies; and out of this comparison, this statement of fact, deducible from Government or official statistics which are not always easy reading to the busy man, it is hoped to do something to stimulate the volume of that trade. The burden of many of our consular reports is the lack of knowledge and appreciation of facts which, rightly understood and heeded, would lead to the increase of that trade.

The resources of the United Kingdom itself call for our first attention, and would naturally absorb considerable space; but as these are better known, and receive full attention at the hands of British traders, a greater service will be rendered by pay-

ing more attention to the possibilities of the over-sea trade.

Area and Population

The United Kingdom of Great Britain and Ireland has a total area estimated at 121,391 sq. miles, made up as follows: England, 50,948; Wales, 7376; Scotland, 30,405; Ireland, 32,360; Isle of Man, 227; Channel Islands, 75. The population exceeds 45,000,000, of whom about 36,000,000 are in England and Wales, almost 5,000,000 in Scotland, 4,400,000 in Ireland, 55,000 in the Isle of Man, and 96,000 in the Channel Islands. The United Kingdom has an area equal to about one-ninety-fourth part of the entire British Empire and a population equal to about one-ninth that of the Empire.

London and other Cities

The political and commercial capital of the United Kingdom and of the British Empire is London, which has a population of about 5,000,000, or for "Greater London" about 7,500,000.

A few words must be devoted to London as unlike all other places in the world: at once the entrepôt, the shipping centre, a manufacturing centre, but above all the chief trading centre of the commerce of the world. As a city of transport, and of exchange and barter, London is known best of all, but it is also a leading manufacturing city. Its port and docks came in for much criticism,

and, better to face the rivalry of Continental neighbours, have now been constituted under one port authority. (See Part V.)

If London is not the headquarters of every leading British firm, every firm of any size in the United Kingdom has its London office or warehouse, and the commercial houses of the world have their branches or agencies there. That is why London is not merely a larger Liverpool, Manchester, Sheffield, Leeds, Hamburg, Montreal, or Sydney, but a composite city made up of all that lives and thrives by commercial activity throughout the Empire and the world. Constantly recruited in its population, as it must be, from all parts, it owes its commercial strength and energy to the regularity with which it draws upon everybody and everything, from its own suburbs to the ends of the earth.

Provincial success blossoms out in London; those who have made moderate fortunes in the provinces seek larger ones in London or through London connections; the successful business or professional man comes up to London from the country to put the crown upon his success; the very height of every business is reached in London, which has specialized in every trade and profession, and has reduced every aspect of modern life to business. London stands quite alone—with its historic commercial atmosphere; its buildings that speak of the mercantile genius of the past and which still resound with the commerce of the age; its medieval guilds surviving in its archaic form of government; its trading associations rightly modernized under the control of exchanges and chambers of commerce; its privileged courts of law and justice, conformed, though somewhat indirectly, to the ordinary courts of the land; its broad streets the known highways of the world; its narrow courts and alleys the busiest hives of industry that man has ever known.

This is London City; but outside the City, London is also the retail shop of the world, the metropolis of the largest emporiums and the greatest number of competing and varied marts; the seat of Government, the Court, the Judiciary—the ultimate head, ministerial and judicial, of the Empire.

If not exactly a health resort, London is, at least, the greatest resort of visitors, some of whom may be on business, and others on the business of pleasure.

The manufactures which are still peculiar to London and to different localities of London tend to be pushed farther out, but their maintenance in the London area employs and supports an enormous population on the borders of the adjoining counties.

While London, therefore, derives the great measure of its strength from its contributories by land and sea, no other city in the United Kingdom, in the British Empire, or in the world, can for a moment dispute its commercial pre-eminence.

In Greater London there are more than 35,000 factories and workshops, employing about 700,000 hands. About 6000 of these establishments are outside the County of London proper. The London boroughs, besides the City, containing the greatest number of factories and workshops are Stepney, Westminster, Finsbury, Shoreditch, Islington, Lambeth, Hackney, Camberwell, Bethnal Green, Southwark, Bermondsey, Marylebone, and St. Pancras. By far the greatest number of employees are engaged in the manufacture of clothing, and the next most important departments of manufacture are paper and printing; metals and machinery; woodworking; food, drink, and tobacco; laundries; fine instruments; chemicals and drugs; gas and electricity; skins and leather; and stone, brick, and glass.

Almost every manufacturing industry is followed in London, although the metropolis is primarily a commercial, not a manufacturing city. Certain industries have become identified with certain districts. Clerkenwell is the seat of watch-making and jewellery manufacture; Bermondsey and Bethnal Green have important tanneries; Lambeth, Millwall, and Deptford have large engineering works; Lambeth has important potteries; Spitalfields and Bethnal Green manufacture silk; Whitechapel and Stepney are seats of the tailoring industries employing many foreigners; soap boiling and candlemaking are industries of Southwark, Bermondsey, and Bow; matches are made at Bow, and furniture in Finsbury and Hoxton. There are nine principal markets in London: (1) Billingsgate, the fish market; (2) the London Central Market, or Smithfield, the headquarters of the dead-meat trade; (3) Leadenhall Market, for meat, fish, and poultry; (4) Covent Garden, the vegetable, fruit, and flower market; (5) the Metropolitan Cattle Market, at Holloway, the market for live cattle, sheep, and pigs; (6) the Foreign Cattle Market at Deptford, for the sale of imported cattle; (7) Spitalfields Market, the vegetable market for East London; (8) the Stratford or Eastern Railway Market, for fish and vegetables; and (9) Borough Market, also for fruit and vegetables. These are the important channels through which the food for London reaches the traders and the consumers.

The next largest cities, with their estimated populations, are Liverpool, 760,000; Manchester, 655,000; Birmingham, 560,000; Leeds, 485,000; Sheffield, 470,000; and Bristol, 375,000. Bradford

touches 300,000, and other towns or cities with populations in excess of 200,000 are Newcastle, Hull, Nottingham, Salford, Leicester, Portsmouth, and Cardiff. Below 200,000, but over or about 100,000, are Bolton, Sunderland, Oldham, Blackburn, Brighton, Derby, Gateshead, Birkenhead, Norwich, Plymouth, Southampton, Preston, South Shields, Wolverhampton, Stockport, Halifax, Burnley, Huddersfield, and Northampton.

In Scotland the largest cities and towns are Edinburgh, the capital, 350,000; Glasgow, the second city of the kingdom, 860,000; Dundee, 170,000; Aberdeen, 180,000; Paisley, 90,000; Leith, 85,000; and Greenock, 72,000.

In Ireland the chief cities and towns are Dublin, the capital, 400,000; Belfast, 386,000; Cork, 76,000; Limerick, 38,000; Londonderry, 40,000; and Waterford, 27,000.

The chief town in the Isle of Man is Douglas, 19,000; and in the Channel Islands the towns are St. Helier, 14,000, in Jersey, and St. Peter's Port, 6500, in Guernsey.

The most important port is London, the annual tonnage entered and cleared being about 20,000,000.

Liverpool has quite three-quarters as much, and the other principal ports are Cardiff, Newcastle, Hull, Dover, Glasgow, Southampton, Newport, Blyth, Middlesbrough, Sunderland, Leith, Grimsby, Swansea, and Manchester.

Railways and Waterways

The railway mileage of the United Kingdom is over 23,000, and of this 16,000 miles are in England and Wales, almost 4000 in Scotland, and over 3000 in Ireland. The total navigable mileage of the canals of the United Kingdom is 4673, of which 3641 miles are in England, 184 miles in Scotland, and 848 miles in Ireland, the whole representing a capital value expenditure of £47,500,000. Nearly 30 per cent of the canal mileage is owned or controlled by the railway companies. British trade does not take full advantage of the canal system of the country, and the improvement of canals and waterways was the subject of a Royal Commission, appointed in 1906, which recommended that a Waterways Board should take over and manage the waterways in the public interest.

SHIPPING

Forty-five per cent of the world's shipping is British. Shipping is Britain's greatest industry. A conservative estimate, made by the Board of Trade, places the earnings of British shipping from the international cargo trade alone at £90,000,000 annually. If the earnings of the passenger and mail services of British ships and of coasting vessels operating in home and foreign waters, and owned by British subjects, are added to the sum mentioned, the total figure is at least £110,000,000 annually. This sum is equal to the entire export value from Britain's greatest manufacturing industry, that of cotton. From another point of view shipping is more important to the country than it looks even from the figures given. It is essentially national in its consumption of materials and in its employment of men. The ships and their machinery are made in British yards and workshops with British material and by British labour; they consume British coal even when

abroad; their repair and provisioning is done chiefly in Britain; more than 80 per cent of the men employed on the ships in active service are British subjects. From this point of view shipping, even relative to earnings, is more important than any manufacturing industry that draws its materials from foreign sources of supply.

Of the other countries of the world the United States and Germany come next to Britain in the tonnage of their shipping, but each of these has only about one-fourth as much tonnage.

Over 60 per cent of the merchant steamships launched in the world enter the water from the slips of British shipyards, and almost one-third of this proportion is for foreign owners; and the proportions of warships made and fitted in Britain for foreign powers is the same. Thus Britain not only owns 45 per cent of the world's shipping, but also makes about 20 per cent of the merchant ships of foreign countries.

FORESTS

The woodland surface of the United Kingdom has an area of about 3,000,000 acres, which is only 4 per cent of the total area. This is a smaller proportion than is found in any other

European state, and is evidence of the poverty of the country in timber, or the want of care in national forestry. The fact is made more telling when we know that 25 per cent of Germany, 18

per cent of France, 36 per cent of Russia, and 44 per cent of Sweden is woodland. The long time that elapses before interest is returned from capital expenditure in afforestation explains the reluctance of private enterprise in this field, and constitutes a reason why the replenishment of timber areas should be the care of the State. The Government of Britain was long in waking to the economic importance of the subject, but now some steps have been taken in the direction of State control of woodland areas. The State-owned forest land is just a little over 4 per cent of the total forest area in this country, while in Germany the State-owned proportion is 32 per cent, in Russia 60 per cent, and in Finland 71 per cent. Government has made a beginning in the matter of afforestation, and an estate in Argyllshire has been purchased in order to make it a State forest. The Royal Commission on Afforestation reported that 21,000,000 acres of waste land in this country should be converted into forest land; that is, an area seven times as large as the existing woodland in the United Kingdom. The world is threatened with a shortage in its supply of coniferous timber, and over four-fifths of Britain's timber imports consist of such timber, for which the soil and climate of this country are quite suited.

Timber Imports

The total timber imports of the United Kingdom have a value of about £27,000,000 annually, not including joinery, furniture, and other wooden

ware. Of this quantity only about 19 per cent comes from British Colonies, and over 80 per cent from foreign countries. More than half the total value is represented by sawn or split, planed or dressed fir. The principal source is Russia, with about £6,000,000 worth annually, and then come Sweden and Canada, with about £4,000,000 each; the United States and Norway, which approach £2,000,000 each; and Germany with about £250,000. Pit props aggregate £3,000,000 annually, the sources being Russia, France, Sweden, Norway, and Portugal. Hewn fir to the value of about £1,500,000 comes principally from Russia, Germany, Canada, and the United States. Timber in the form of staves is bought to the value of about £700,000 annually, and comes chiefly from Russia, the United States, and Norway. The chief source of oak is the United States, with Russia, Germany, and Austria important sources of the total import value, which is over £1,000,000 annually. Teak is just under £1,000,000, the contributors being Burma, Siam, and Java. The principal furniture wood is mahogany, of which our annual purchases approach £1,000,000, principally from the British West African Colonies, British Honduras, and French West Africa. Colonial supplies are two-thirds of the total. Other furniture woods have an aggregate annual value of about £1,500,000, and the principal sources are the United States and Australia. These figures give the main facts in connection with the British import trade in timber, of which quite two-thirds is suitable for our waste and rough pasture land.

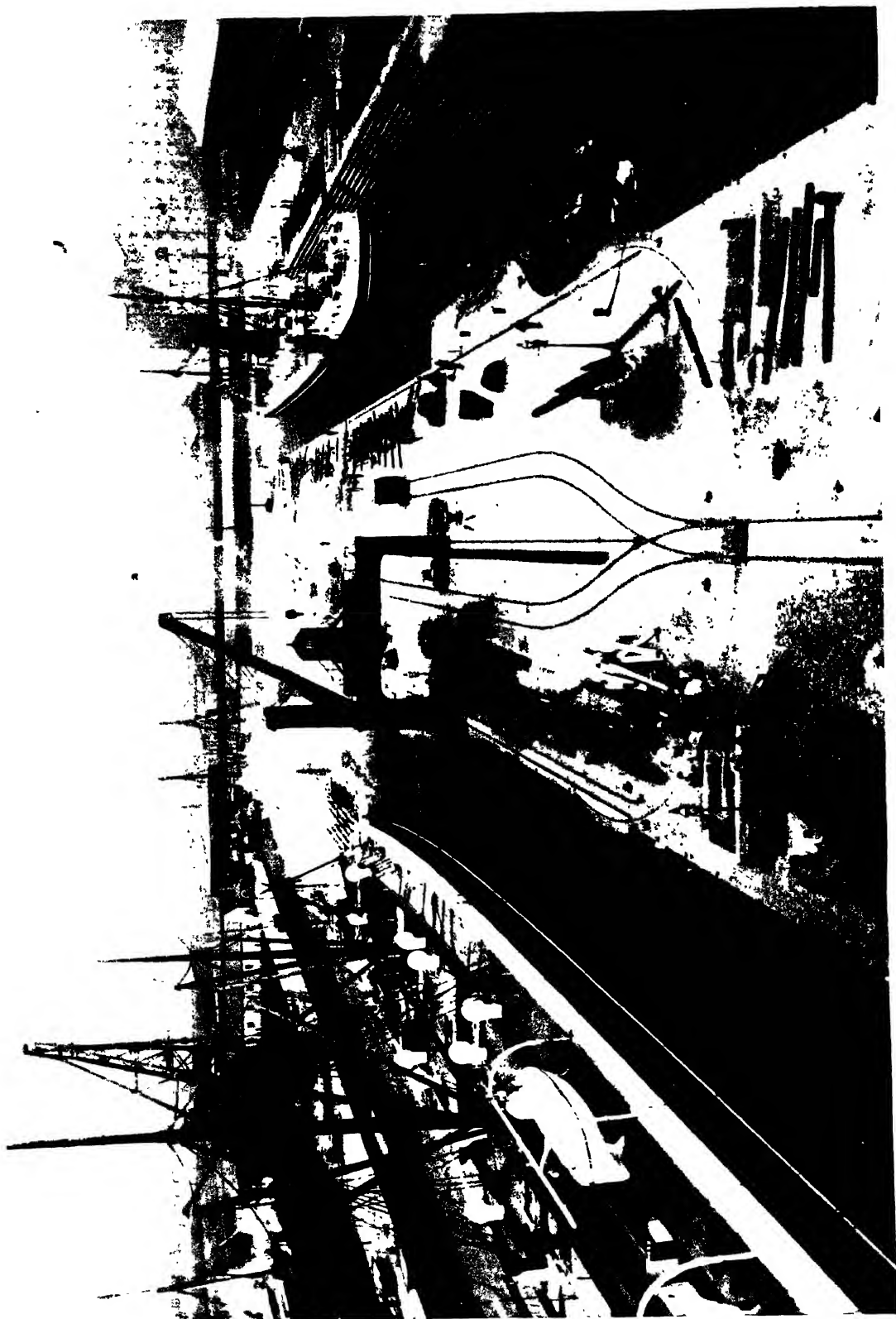
AGRICULTURE

The cultivated area of the United Kingdom is about 48,000,000 acres, and of this quite one-sixth is under corn crops, almost one-tenth under green crops, and almost 60 per cent under permanent pasture. The principal corn crop is oats, which claims about one-half of the entire corn-crop area; barley has half as much as oats, and wheat just a little less. The less-important crops classed as corn crops are beans, peas, and rye. Of the green-crop area almost half is under turnips, so that the turnip area is larger than the wheat area. About 30 per cent of the area is held by potatoes, over 10 per cent by mangolds, over 5 per cent by cabbage, kohl-rabi, and rape, and 3 per cent by vetch. Smaller areas are covered by flax, hops, and fruit.

The recent tendency of agriculture has been towards an increased acreage under wheat, although the days of the late eighteenth century, when the United Kingdom not only provided all the

wheat consumed in its own market, but was the granary of Europe, have gone for ever. British farming is intensive. British farmers were the first to realize the value of a rotation of crops, and of the range of fertilizers which science placed at the service of agriculture. The first policy of successive British Governments in the early part of last century was to stimulate agriculture so as to make these islands self-contained and independent of foreign grain food, an objective which they attained. The average yield of British wheat-fields is high, touching 31 bushels per acre, while Canada gives under 21 bushels, France under 20, the United States 13½, Russia, 11½, and Australia under 11.

But if Britain has fallen from her place among the grain-producing countries of the world, she maintains her position as the first stockbreeding country. British breeds of cattle and sheep have become the standard breeds the world over.



TANGLON GRAVING DOCKS, HAVREPOLE.

The Leicester, Shorthorn, Southdown, and Lincoln breeds of sheep, and the Hereford, Devon, and Aberdeen-Angus breeds of cattle are used in all countries to improve domestic breeds. Pedigree stock-breeding continues to be the most lucrative department of British agricultural industries.

Of British live stock, the most important numerically is sheep, of which the number exceeds 31,000,000. The marked tendency to decline that is seen in regard to sheep in almost every European country is not apparent in Britain. There is no special merit to be claimed for the fact. In continental Europe more returns can be got from the land by tillage than by pasturage, whereas in this country tillage is not so remunerative, and we have never cultivated the sugar beet as continental nations do. After sheep come cattle, with herds aggregating about 12,000,000 head, the numbers being well maintained through succeeding years, then pigs, numbering over 4,000,000, and horses over 2,000,000.

The agricultural condition of the kingdom will be better understood by a brief survey of the different zones. The south-eastern counties of England—Kent, Surrey, Sussex, and Hampshire—are supreme in market gardening, fruit growing, and the cultivation of hops. The best orchards in the country are situated in eastern Kent. The principal fruits in the district are strawberries, cherries, plums, apples, currants, and nuts. The district is favoured by its proximity to the great consuming market of London, and this fact, joined to its natural advantages of soil and climate, makes it what it is. The most valuable stock breeds in the district are the Romney Marsh sheep of Kent and the Southdowns of Sussex. The next zone that may be considered as an entity comprises Wiltshire, Dorset, Somerset, Devon, and Cornwall, where stock predominates, and where arable land thins as one goes west. This is a milk and cheese country, also producing apples and cider, while farther west the cultivation of early green vegetables and potatoes is made possible by the extremely mild climate. The principal breeds of cattle in this zone are Shorthorns, Devons, and South Hams, while Dorset sheep are a breed specially valuable for their early lambs. The west Midlands comprise the counties of Gloucester, Hereford, and Worcester, and produce hops and hardy fruit, particularly apples that give a high yield of excellent cider. The cattle in this district are the world-famous Hereford breeds. The Midland counties of England form the great meat-, milk-, and cheese-providing district of the country. There is little tillage, the

land being mostly under permanent grass. The chief breeds of cattle are Shorthorns, Herefords, Galloways, and Welsh black cattle. In the eastern counties of Essex, Suffolk, Norfolk, and Lincoln we come again to wide tracts of fertile, tilled fields, the generous soil of Lincolnshire yielding chiefly potatoes, that of Norfolk giving excellent malting barley, Suffolk giving barley and wheat, and Essex chiefly wheat. These counties breed good horses, and the fen district of Lincolnshire is the home of the Shire horse, the most powerful draught horse in the world. The Norfolk Red Polled cattle and the famous Lincoln sheep, particularly the latter, have improved stock strains in many overseas lands. In Yorkshire, agricultural practice takes many forms, of which none is highly prominent over all the others. Stock-raising and dairy farming are important, but the breeds do not stand out as in the other districts reviewed. In the northern counties, from east to west, farming practice is carried to a degree of perfection, particularly in the following of crop rotation. The chief crops are barley, oats, and turnips. The principal breed of cattle is the Shorthorn, and the sheep are Cheviots and an excellent crossbreed out of Cheviots and Leicesters.

The land of Wales is chiefly under grass, with stock raising and dairy farming as the principal agricultural industries. The principal cattle breed is the Black Welsh, and the sheep are mostly Shropshires. Ponies are also bred.

The south-western and the northern counties of Scotland are grazing lands which have given to the world some famous breeds of cattle—the Ayrshire, supreme in milk-giving properties; the Galloways, yielding beef of high quality; and, in the north, the Aberdeen-Angus provides good beef and goes into all lands to impress its qualities upon other breeds. From the River Tweed to Perthshire, particularly the Lothians, agricultural practice serves as a model for all countries. Intensive culture and scientific farming are more highly developed than anywhere else in the world. General cereals are grown, but potatoes are the best-paying produce.

Farming in Ireland is largely in the hands of peasant proprietors, who, helped by systems of co-operative agencies, particularly applied to creameries, have extended their operations and improved their practice during recent years. The chief result of the improvement has been an increase in quantity and rise in quality of the Irish butter put upon the British market. With the peasant-owned farms are large grazing farms that supply Shorthorn cattle and excellent horses for the sister island.

FOOD IMPORTATION

The agriculture of the United Kingdom is quite inadequate to supply the demands of the British market. Of the whole value of British imports, which, roughly, aggregate £600,000,000 annually, grain and flour constitute over £70,000,000, and £50,000,000 worth of that value is for wheat and wheat flour. The great contributing fields of wheat are the Argentine Republic, the United States, India, Canada, and Russia, while smaller quantities come from Australasia, Chile, Rumania, and other countries. British Colonies supply about 40 per cent and foreign countries about 60 per cent of the value imported. Wheat flour accounts for a value of about £7,000,000 annually, chiefly from the United States and Canada, the other markets mentioned sending us their whole supplies in the form of unmilled grain. The barley imported by Britain has a value of about £7,000,000 annually, nearly the whole supply coming from foreign countries, of whom the chief are Russia, the United States, Rumania, Turkey, and Morocco. Oats claim fully £5,000,000 of the annual import bill, only 12 per cent of which comes from British Colonies, chiefly Canada, while the chief foreign supply markets are Russia, the Argentine, and Germany. We import maize to the value of about £12,000,000 annually, less than 10 per cent being from British Colonies (Canada and South Africa), the great foreign providers being the Argentine, the United States, Rumania, and Russia. The major portion of the rice imported, the value being under £3,000,000 annually, reaches us from India, but Siam and Holland are also responsible for large quantities. These are our staple grain foods. The less important are rye, chiefly from Russia; peas, chiefly from Holland; beans, chiefly from Turkey; and lentils, chiefly from India.

In the department of fruits a notable tendency of recent years has been the increased quantities sent to the British market by British Colonies. In apples, for instance, of which we purchase over £2,000,000 annually, the Colonies have supplied the greater share of our orders. Canada has supplanted the United States as the chief source, and over 80 per cent of the whole supply comes from the orchards of these countries, while Australia, and more particularly Tasmania, has been increasing its shipments materially. The banana trade has attained great prominence in our market, the annual value imported being about £2,000,000, exceeded only by fruits only by apples and oranges. Seven-eighths of the bananas for Britain come from the Canary Islands, Colombia, and Costa Rica

while the only colonial supplies come from the West Indies. Soft fruits, such as apricots and peaches, cherries, gooseberries, grapes, plums, and strawberries naturally reach us from European countries more favoured by climate, the chief supply markets being France for apricots, peaches, pears, cherries, plums, and strawberries, Greece for currants, Turkey and Spain for raisins, Spain for grapes, Holland for gooseberries, and Italy for lemons. The only Colonies in this trade are South Africa, whence we get small quantities of peaches and grapes, and Australia (some pears). But the fruit farmers of Cape Colony are striving to increase their trade, and are giving close attention to growing and packing for this market. They have the advantage of an exceedingly swift transport service, and of having soft fruit in season when the same fruit from countries in the northern hemisphere is out of season. Almonds come principally from Spain, Morocco, and Italy, and other nuts chiefly from France, Spain, and Brazil.

Britain consumes oranges to the value of about £2,500,000 annually, four-fifths of the whole value coming from Spain, with Asiatic Turkey responsible for the greater part of the remainder, and the British West Indies being the only important colonial supply. When we have mentioned dates, which come to us chiefly from Turkey, we have completed the list of the important fruits. Canned and bottled fruits are not a very important class.

With such great importation of cereals and fruits it is natural to find that the British export trade in such goods is small, and consists chiefly in proprietary brands and preparations. The total value exceeds £1,000,000, the principal items being wheat flour and rice.

The pastures of the United Kingdom, while they supply a great portion of the meat requirements of the domestic market, leave a deficiency which must be filled by importation. The total value of meat imported comes to about £50,000,000 annually. The value of live oxen imported has been over £10,000,000 annually, but it is now several millions below that figure, and is decreasing, cold-storage facilities having made it more economical to import dead meat. We may anticipate the extinction of the live-meat trade as a natural consequence of dead-meat competition. The only sources of live bullocks are the United States and Canada. The greatest value in dead meat is for bacon and hams, which we purchase to the value of about £18,000,000 annually. The great sources are the United States, Denmark, and Canada. Recent movements in the trade show great in-

creases in Canadian contributions and a decline in purchases from America, although the latter country is still the principal market. Fresh beef, nearly all frozen, has a total value exceeding £10,000,000 every year, the chief sources being the Argentine Republic and the United States. Only about 8 per cent of the total comes from British Colonies, and New Zealand has the bulk of the trade. Queensland supplies used to be important, but they are now only a small proportion of what they were. (See Chapter VI, "Australia".) In the dead-mutton trade, however, colonial sources are by far the most important, New Zealand alone, with an annual contribution of about £4,000,000, sending us about half the total supply from all sources, while considerable supplies come from Australia. The Argentine is the most important foreign source, but the quantity does not increase year by year, so that the proportion of the total shrinks. The only other important foreign source is Holland, which also sends the greater part of our supplies of fresh pork. Salted pork comes almost entirely from

Denmark and the United States, with Canada as the only colonial contributor.

Preserved and tinned beef, the annual import value of which is about £1,000,000, comes chiefly from Belgium, the United States, and the Argentine, with small quantities from Australasia; while tinned mutton, the trade in which is not large, is brought from Australia, New Zealand, and the Argentine. Three-quarters of the rabbits for the British market are imported from British Colonies, principally Australia, and Belgium is the only foreign country sending considerable contributions. The total value of rabbits imported is usually a little under £1,000,000. Of the total meat supply for the British market the Colonies provide over one-fourth and foreign countries almost three-fourths. Colonial participation in the poultry we import is almost negligible, the total value of about £1,000,000 being provided by Russia, France, the United States, Italy, and Austria, in proportions approximately equal. Game, the value of which is only one-eighth that of poultry, comes chiefly from Egypt, Russia, and Holland.

FISHERIES

The fisheries of the United Kingdom provide occupation for about 108,000 fishermen, of whom two-thirds depend entirely upon fishing for a livelihood, the remainder combining fishing with other employments. The figures do not include those indirectly dependent upon the fishing industry, such as packers and curers, net makers, and makers of barrels and fishing boats. There are over a quarter of a million earning a living directly and indirectly from the fishing industry, and, including those dependent on these bread-winners, the grand total cannot be far short of a million.

The value of the fisheries to the nation consists not only in the supplies of food which they place upon the market, but also in the training school and reserve for seamen afforded, which is of first importance for an island nation.

Steam trawling has been gradually displacing sailing boats in the fishing fleet, and the results of the movement have been important, for this made it possible to pursue the industry much farther afield. The seas off Iceland and the Faroe Islands, the Bay of Biscay, the waters off Portugal and Morocco, are now worked by British fishing trawlers. Steam was first introduced for trawlers, but it is being adopted in drift-net and long-line fishing, and its use is extending annually. The principal English ports from which fishing is prosecuted are Yarmouth, Lowestoft, and Grimsby,

and the principal Scottish ports are Aberdeen, Lerwick, Leith, Fraserburgh, Peterhead, Wick, and Buckie.

The total fishing fleet of the United Kingdom numbers about 26,000 vessels of all classes, over 6000 belonging to Ireland, about 9000 to Scotland, and under 10,000 to England. The English fishing vessels are generally larger than the Scottish, and a larger proportion of them are propelled by steam. For this reason England greatly surpasses Scotland in the total tonnage of its fishing fleet. The total weight of fish landed in the United Kingdom every year is about 20,000,000 cwt., with a value fluctuating between £10,000,000 and £11,000,000, over two-thirds coming into England, over one-fourth into Scotland, and less than one-twentieth into Ireland. These figures do not include shell-fish, of which the total annual value is about £400,000, or salmon, of which there are no statistics.

Half the total weight of catch, or about one-sixth of the total value, is for herrings, and this catch is secured principally by the Scottish fleet. The other fish mostly caught by trawling are mackerel and pilchard. The Scottish mackerel catch is very small, being only about 7 per cent that of England or of Ireland. Pilchards are caught only in the west and south-west of England, and find their chief market in Italy. Other fish captured by trawl and line are divided technically into two classes—round fish and flat fish, the

former class including haddock, cod, ling, and whiting, and the latter class including plaice, sole, halibut, brill, turbot, and flounders. Round fish are the more important in weight of catch and in value, but the returns for England and Ireland do not specify the relative catches.

While the records available show the quantity and value of the sea fish landed in the United Kingdom, they do not show the total results of the activities of our fishing fleets. Fishing boats and trawlers may land their catches at foreign ports and return again to the fishing grounds, in which case the trade that they have done, which is virtually so much British export trade, appears in no British returns. A good deal of the annual catch is disposed of in this fashion, particularly since our steam trawlers have sought fishing grounds farther away than formerly.

Salmon fishing is prosecuted chiefly in inland waters and estuaries, but the total value of the catch is not known. The great London fish market of Billingsgate receives annually about 18,000 to 20,000 boxes of British salmon, each box containing about 1 cwt. The Scottish fisheries contribute over two-thirds of the total, and Irish fisheries over 20 per cent, leaving only about 8 per cent for English fisheries.

The export trade in fish has grown to great proportions, and it is supplied chiefly by the agency of the fish-curing establishments set up round our coasts. We have noted the unrecorded exports of fish caught by British boats and trawlers, but in addition to that the exports of fresh fish have a

value of over £600,000 annually, about half being for herring, which go nearly all to Germany, and the principal other varieties are salmon, haddocks, cod, and mackerel. But the export trade in cured or salted fish is very much greater than that in fresh fish. Cured herrings are sent abroad to the value of almost £4,000,000 annually, four-fifths of the total going to Germany and Russia. Most go to Germany, but a very large proportion of the supplies for Germany cross the Russian frontier ultimately. The United States, Italy, and Belgium are the other principal markets for the cured herrings exported. Cured pilchards find their consuming market in Italy, the annual value being about £60,000. Spain is the principal market for the cured cod exported, quite half the total value of £200,000 going thither. Preserved mackerel and haddocks are less important, and find a widely distributed market.

The value of the fish imported by Britain is more than half the value exported, coming to about £3,000,000 yearly. Fresh fish, principally herrings, reach us (chiefly from Norway) to the value of about £700,000 annually, and we import about £100,000 worth of shellfish (chiefly oysters) from the United States and Holland. The rest of our imported fish food consists of canned sardines from Portugal, Norway, France, and Spain, canned salmon from Canada and the United States, and canned lobsters, chiefly from Canada. Of the imported fish more than one-third is received from British Colonies, and almost two-thirds from foreign countries.

MINERALS

The supreme natural resources of Britain lie in her minerals. They have been primarily responsible for the high place which the country holds as a manufacturing nation, and no other equal area on the face of the globe has been so richly dowered. Of British mineral resources coal remains the greatest asset. The steam engine applied to manufacturing industry made Britain the workshop of the world; but she could not have used the steam engine as she has done in her development but for her cheap and abundant fuel.

Even to-day, in spite of the vast enterprises working on mineral deposits in other countries, the number of Britain's population engaged in the mining and quarrying industries is greater than that of any other country. The number of employees in British mineral working exceeds one million, which is more than in the entire British empire overseas, 20 per cent more than in

Germany, and 33 per cent more than in the United States. But the United States has wide areas of undeveloped mineral lands, and it is not to be expected that Britain can maintain indefinitely her place in respect of the number of people engaged in the mineral industries.

Coal

Coal far exceeds all other minerals in value. The grand total value of all minerals worked in Britain is about £140,000,000 annually, and of that value about £120,000,000 is represented by coal. The quantity of coal raised is over 250,000,000 tons every year. Britain had for long the largest output of coal in the world, but is now eclipsed by the United States, where the output is about a half more. Germany is third among the countries of the world, her output being about four-fifths that of Britain. All other

countries are small by comparison, none having an output as high as one-fifth that of Britain. The quantity of coal exported is rather more than one-fourth of the quantity raised, being over 60,000,000 tons, with a value of about £40,000,000. Anthracite coal is obtained almost exclusively in Carmarthenshire, and the annual output is about 3,000,000 tons. Glamorganshire provides the famous smokeless steam coal used by the British and other navies. Northumberland, Fife-shire, and, to a smaller extent, Lancashire, Yorkshire, and North Staffordshire also provide good steam coal. The other coalfields provide chiefly household, gas, coking, and furnace coal. England raises 70 per cent of the coal of the kingdom, and Wales and Scotland each about 15 per cent, the coal production of Ireland being negligible. The principal coal county is Durham, the output of which approaches 40,000,000 tons annually. Yorkshire, Glamorganshire, and Lancashire are the counties with the next largest outputs. The average price of coal fluctuates from about 7s. to 9s. per ton at the mines. The great coal-exporting ports are Cardiff and Newcastle, the former port handling over one-fourth of the entire quantity exported, and the latter over one-sixth. The next most important coal exporting ports are Newport, Swansea, Blyth, Sunderland, Hull, and Methil.

The principal export markets for British coal are France, Italy, and Germany, these three countries taking almost one-half of the total quantity exported. Then come, in order of importance, Sweden, Spain, the Argentine Republic, Egypt, Russia, Denmark, and Holland, these countries being the only ones to which the coal exports exceed in value £1,000,000 annually. The imports of coal into Britain are practically *nil*.

Iron

After coal in importance—a long way after—come the iron-ore deposits of the United Kingdom. The iron ore raised annually is about 15,000,000 tons, and its value almost £4,000,000. The famous red hematite ores of Cumberland and North Lancashire are the richest in the country, yielding an average of 50 per cent of metal. The largest producing district is that of Cleveland in North Yorkshire, where 40 per cent of the total iron ore of the country is recovered. The form is clay ironstone, which contains about 30 per cent of the metal. The counties of Lincolnshire, Northampton, and Leicester have open workings of brown iron ore averaging in yield of metal about 33 per cent. The united yield of these counties is less than that of Cleveland, but

more than that of Cumberland and Lancashire. In Scotland and North Staffordshire the ore is chiefly blackband ironstone found in conjunction with coal, and varying much in metallic content. The iron ore raised in the country represents only two-thirds of the consumption of British furnaces. The importation of iron ore is about 7,000,000 tons annually, with a value of about £5,000,000. Seventy per cent of it comes from Spain, and the other principal sources are Algeria, Greece, Sweden, and Norway. Sweden would be next in importance to Spain if pig iron were taken into account, because the famous Swedish iron, unapproached for steel manufacture, reaches us chiefly in the form of pigs. British exports of iron ore are infinitesimal.

The annual export value of all iron and steel goods, not including machinery, is about £40,000,000, which represents more than 10 per cent of the total exports of the country. The principal departments are: pig iron, about £4,000,000, galvanized sheets, about £7,000,000; tinplates, about £6,000,000; steel sections, about £3,000,000; rails, about £3,000,000; wire, plates, and wrought tubes, about £2,000,000 each; and the other classes with a value of about or over £1,000,000 are iron sections, cast pipes, and steel girders. The machinery exports have an annual export value of about £30,000,000, and these might properly be classed as manufactures of iron and steel. The principal classes are textile machinery, about £8,000,000; steam engines, about £8,000,000, including locomotives, about £3,000,000; sewing machines, about £2,000,000; agricultural machines and electrical machinery, each about £1,000,000. Every country in the world helps to absorb this huge output, and it is impossible to indicate the many destinations specifically.

The iron and steel manufactures imported have a total value of about £8,000,000 annually, the principal classes being steel—ingots and bars—girders, wire, nails, iron sections, pig iron, plates, and tubes. The chief sources are Germany, Belgium, and the United States. The annual value of the machinery imported is about £5,000,000, the principal classes being agricultural machinery, electrical machinery, and sewing-machines, and the principal source by far being the United States.

The iron-smelting industries are naturally in the districts of the iron ore. The chief centres are the north of Yorkshire and the south of Durham, with Middlesbrough as the hub; in South Wales in and around Merthyr Tydvil and Newport; in Staffordshire; in North Lancashire and Cumberland, with Barrow-in-Furness as the prin-

central point; in West Yorkshire; and in the West of Scotland with Motherwell and Coatbridge as centres. The manufacture of iron and steel goods from the smelted metal is widely distributed, the chief centres being Birmingham for engines, tools, hardware, bedsteads, and brassfounding; Wolverhampton and Willeshall for locks; Bromsgrove and Tipton for nails; Wednesbury and Walsall for tubes; Sheffield for steel armour-plate, ordnance, cutlery, forgings, tools, and silver and electroplate; Bradford, Manchester, Oldham, Bolton, and Keighley for textile machinery; Coventry and Wolverhampton for bicycles; Middlesbrough and Barrow for steel rails and girders; Warrington for wire; Glasgow, Newcastle, and Darlington for steam engines; Ipswich, Grantham, Lincoln, and Norwich for agricultural machinery; Glasgow, Dumbarton, Hartlepool, the Tyne ports, and Belfast for shipbuilding; Falkirk and Larbert for cast-iron goods; South Wales for tinplates; Redditch for needles. These are the principal districts which are closely and specially identified with specific trades, but most of the classes of goods mentioned have a much wider area than can be indicated in any short catalogue of the industrial activities of the greatest manufacturing nation in the world.

Tin

The other metallic ores of importance are tin, lead, and zinc. Cornwall has, from the time of the Phœnicians, been noted for its tin deposits, and for centuries it constituted the world's chief source of supply. Now, however, it is only fifth in importance, and provides less than 5 per cent of the world's output, being excelled by the Federated Malay States, Bolivia, the Dutch East Indies, and Australia. The output of British tin fluctuates very much, but has shown considerable increase during recent years, and exceeds 7000 tons per annum, with a value of about £600,000. Much imported tin ore—about three times the domestic production—is refined in Britain, and over 90 per cent of this is Bolivian tin shipped from the ports of Chile. Smaller quantities of tin ore for reduction in Britain come from Portuguese East Africa, Germany, British South Africa, France, and the Dutch East Indies via Holland. The great tinplate and tinning industries of Wales depend, however, chiefly upon tin imported in the form of ingots, which are recovered from the ore where it is mined or quarried. The value of imported ingot tin is about £6,000,000 annually, and over 80 per cent of it comes from the Federated Malay States via Singapore, and most of the remaining 20 per cent comes from

Australia. Britain is able to hold its own in the tinplate trade chiefly because the United States possesses no known deposits of tin.

Lead

The lead ore raised in Britain annually exceeds 30,000 tons, and its value £750,000. But lead mining is not one of the profitable mining enterprises of the country, although it shows signs of revival. The principal deposits are in Shropshire, North Wales, Cornwall, the Pennine Mountains, and the Isle of Man, but the lead ores of Spain and Australia can be worked far more profitably. Britain is seventh among the world's producers of lead. A few thousands of tons of lead ore are imported into Britain from widely distributed sources, but without any individual field being a conspicuously prominent contributor. The importation of lead in the semi-manufactured forms of pigs and sheets totals over 200,000 tons annually, with a value of about £3,000,000, the chief sources being Spain, Australia, the United States, and Mexico. Our exports of lead and its manufactures are below £1,000,000 annually, the principal form being as pigs, for which the leading markets are Russia, Canada, the United States, France, and China.

Copper

As a source of copper Britain now takes a very low place—an insignificant one, indeed—among the countries of the world, and will recede still farther when Siberia and West Africa have taken their proper places as sources of the metal. But if the copper supplies of Cornwall and Devon have ceased to have their former importance, the refining of copper continues to be an important industry, with Swansea as its principal centre. The importation of raw copper—copper ore, regulus, and precipitate—has a value of about £3,000,000 annually, the principal sources being Spain, Mexico, South Africa, Australia, and Chile. Refined copper, unwrought, in the form of bars and ingots, is imported to the value of over £7,000,000 annually, the principal source being the United States. Manufactures of copper have a total annual import value of about £800,000. The exports of unwrought copper have an annual value of under £1,000,000, but of wrought and manufactured copper there is an export to the value of £2,000,000. The exports of both are widely distributed, foreign countries taking much more than British possessions. Manufactured articles, particularly brass goods, in which copper is an important element, swell the total very much.

Other Minerals

The output of gold and silver mined in the United Kingdom is so small as to be negligible, and no other precious metal is known to exist. But the mining of petroleum shale and its distillation into illuminating and lubricating oils with the recovery of its by-products, paraffin wax and sulphate of ammonia, is a highly flourishing industry in the Scottish lowlands, where the shale-oil industry was born and developed. The quantity of oil shale mined is about 3,000,000 tons per annum, and its value approaches £1,000,000. In spite of this production, the supply is unable to satisfy the domestic market, and burning and lubricating petroleum oils are imported to the value of about £6,000,000, chiefly from the United States, with Russia as the next important market. The petroleum wells of these countries yield the crude oil that in Britain is recovered only by retorting the oil shale. There are practically no exports of petroleum or paraffin oils.

Bauxite, the source of aluminium, is found in Antrun, and is reduced at Foyers, in Inverness-shire, the famous falls supplying the power necessary for the reduction. This industry was saved by the rise of the motor-car industry.

The salt mines of Britain are located at Northwich, in Cheshire, at Droitwich, in Worcestershire,

at Middlesbrough, and in different places in Lancashire. The quantity of rock salt raised annually is about 2,000,000 tons, with a value of over £500,000. Rock salt is also imported to a small value annually, about £20,000, and the exports of salt have a value of about £500,000 annually, the great share going to British Colonies, chiefly India and Canada.

The slate quarried in the United Kingdom has a value of over £1,000,000 annually, the chief centre of the industry being North Wales, in the district around Bangor, where are found the Penrhyn slate quarries, the largest in the world. Ballachulish, in Argyllshire, also yields important supplies of slates. The importation of roofing slates, especially from the United States and France, was rather considerable in the early years of this century, and was made possible by labour troubles among British slate quarrymen. The quantity now imported is only about £100,000 worth per annum, and the exports have a value nearly as great as this, the chief markets being Germany, Denmark, and Australia.

The other principal minerals of the United Kingdom are recovered by quarrying, and they include potters' clay, chalk, limestone, gypsum, sandstone, and granite. Most of these are widely distributed, but chalk is quarried chiefly in the South of England, and granite in Aberdeenshire.

THE COTTON MANUFACTURE

Among the great manufacturing industries that fall naturally into groups the textile industry is by far the most important in Britain. It is rather surprising that it is so, as in the textile industries the raw materials are chiefly those that cannot be grown or produced in this country, and must be imported, chiefly from the other hemisphere.

As one looks into the causes of the importance of the textile industries, they soon become apparent. Invention had a good deal to do with it—Arkwright, Hargreaves, Crompton, and Cartwright with the spinning jenny, the mule, and the power loom, Boulton and Watt with the steam engine—but quite as essential factors were the national wealth in coal fuel and the large merchant fleet to draw the raw supplies direct to our shores, and to distribute the manufactured products to the corners of the world. These things caused the rise and growth of the textile industries, and the skill then acquired kept the lead for us when other nations were serving their apprenticeships to the arts and practice of power spinning and weaving. The several departments of the textile industry

provide employment for more than 1,000,000 employees, nearly 60 per cent of whom are females. More than half the total number of employees are engaged in the cotton industries, and half the remainder in the woollen mills and factories. Then flax, jute, and hemp employ quite half what remains, and the residue is distributed among the workers in silk, hosiery, lace, fibre, and horse hair. The immense importance of the textile industries is best evidenced by the great part they play in Britain's export trade; of the total value of the produce and manufactures of the United Kingdom exported, the products of the textile industries are responsible for more than one-third—£140,000,000 out of the total of about £400,000,000.

The Cotton Manufacture

Cotton is, as has been already stated, the most important textile department.

Lancashire is the head centre of the cotton manufacturing trade of Britain and of the world. In England there are about 2400 cotton factories with about 700,000 power looms; in Scotland the

cotton factories number under a hundred and in Ireland under a dozen. The importation of raw cotton is about 1,000,000 tons annually, and the value over £60,000,000. Almost 70 per cent of the value comes from the United States, where, in spite of phenomenal increase of domestic spinning and weaving, the crop has been increasing so as to provide ever-increasing supplies to Britain. The next most important source of cotton is Egypt, whose cotton has a value that commands a much higher market price than American cotton, and whose contribution to Britain comes to about £16,000,000 annually. British India supplies over £1,000,000 worth, and less important sources are Brazil, Peru, Mexico, British West Africa, and the West Indies. British Colonies supply only about 5 per cent of the total quantity imported.

Specialization is the secret of British success in the cotton industry. Cotton yarns are spun principally in South Lancashire and North Cheshire, the fine yarns, which are largely used for sewing thread, being spun principally in and around Manchester and Bolton, while coarser yarns, used principally for weaving, have their centres of production at Oldham and other towns in South Lancashire. Northern Lancashire is the chief district for cotton-weaving, the finer fabrics coming from the looms of Preston and Chorley; fancy dress goods from Bolton; cloth, dyed in the yarn, from Nelson and Colne; and shirtings from Blackburn, Accrington, and Darwen. Nottingham is the headquarters of cotton hosiery, lace and net manufacture, and Paisley, which produces cotton sewing thread in great quantity, is the cotton centre of Scotland. The cotton fabrics produced on Scotch looms are principally muslins, fine lawns, and coloured and figured dress goods.

The grand total value of cotton goods—including yarns and manufactures—exported annually from Britain is about £100,000,000, quite 25 per cent of the total value of all exports. About £12,000,000 of the total represents cotton yarns, mostly unbleached. More than 70 per cent of the total consists of cotton piece goods, the value of this proportion being about £70,000,000. This value is divisible roughly into four classes, rather more than 25 per cent being found in each of the three great divisions—unbleached grey cloth, white bleached calico, and dyed either in the yarn or in the piece—while printed goods, including hawls and handkerchiefs, come to less than 2 per cent. Apart from piece goods the principal forms of our cotton exports are sew-

ing thread, almost £5,000,000 annually; lace and patent net about the same figure; and hosiery, about £500,000 annually. Britain's chief competitor in cotton goods for the neutral markets of the world is Germany, yet Britain exports cotton piece goods to four times the value of Germany, over six times the value of France, and sixteen times the value of the United States.

A purpose may be served in indicating the principal purchasing countries of the various classes of cotton goods. Nearly all the grey cotton yarns go to foreign countries, the most important markets being Germany (with more than one-third of the total) and Holland, with France, the United States, Belgium, Austria, and Russia the chief of the less important purchasers. British India is the only very important colonial customer for grey cotton yarns. The Colonies purchase the greater quantity of the bleached and dyed yarn, most of it going to India, and the chief foreign buyers are the United States, France, and Turkey. In grey piece goods, of which the annual value exported is over £22,000,000, the Colonies buy almost two-thirds, the supreme market being India, whither over £12,000,000 worth are carried annually. The principal foreign markets are China, Belgium, Turkey, Japan, Germany, and Egypt. Bleached cotton piece goods are sent to foreign countries to rather greater value than to British Colonies, the chief markets being India, China, Egypt, and Turkey. Printed cotton piece goods have an annual export value of about £15,000,000, about 60 per cent going to foreign countries, of which the principal are Turkey, Egypt, Dutch East Indies, the Argentine, Brazil, China, and Japan; and 40 per cent to British Colonies, chiefly India, Canada, British West Africa, and Australia. Of dyed cottons foreign countries take 70 per cent of the total £21,000,000 exported annually, the best markets being China, the United States, Brazil, and the Argentine Republic, and of Colonies and British possessions the chief markets are India, Hong Kong, Australia, Canada, and West Africa. Four-fifths of the lace and patent net find markets in foreign countries—the United States, Germany, Belgium, and France being the chief—while the only important colonial markets are Canada and Australia. Most of the hosiery exported has a colonial market, but most of the sewing thread goes to foreign consumers, and in both classes the distribution is wide among the many markets of the world.

WOOLLEN AND WORSTED MANUFACTURE

The woollen and worsted industries are rather more widely distributed than the cotton industries. The West Riding of Yorkshire is the great seat of these industries, with Leeds as the principal centre. In Leeds are manufactured chiefly woollen suitings, meltons, beavers, ladies' woollens, and tweeds and worsteds. Bradford and its immediate surroundings manufacture high-class goods such as dress goods for ladies, worsted coatings and trouserings, and upholsterers' materials; Huddersfield and Halifax have an output of trouserings and suitings of high quality. Dewsbury and Batley manufacture chiefly blankets, rugs, and shoddy.

The west of England is renowned for its broadcloth, the chief district of the industry being Stroud and the Stroud Valley, and the west of Wiltshire, particularly the towns of Bradford-on-Avon and Trowbridge. Important but detached seats of the woollen industry are Leicester for woollen hosiery, and Kidderminster and Wilton for carpets. It is worthy of note that Kidderminster carpets, so called, are made in Scotland and Yorkshire, while the carpet output of Kidderminster is of the variety known as Brussels. In Scotland the woollen manufacturing district lies along the River Tweed and its tributaries, the centres being Hawick, Galashiels, Selkirk, Jedburgh, and Innerleithen, the principal product being tweeds. Dumfries makes hosiery, and in Ayr, Kilmarnock, Darnley, and other towns in the western lowlands, carpets and other woollen goods are made. The name tweed, as applied to a distinct weave of cloth, came by accident, the proper name being "twill" in England and "tweed" in Scotland; but a London dealer in the early history of this fabric received a blurred invoice which he misread as tweed, the mistake being made the more easy by the locality where the goods were manufactured. There are practically no woollen manufactures in Ireland, owing to restrictions imposed upon Ireland towards the close of the seventeenth century, when the foundations of English and Scotch woollen manufacture were laid.

Nearly all the raw material for our woollen industries is imported, and the total value of the raw wool imported annually is in excess of £30,000,000, over 90 per cent of the value being for sheep and lambs' wool, five-sixths of which comes from British Colonies — Australia, New Zealand, South Africa, and India, with the

Antipodean Colonies predominating. Of the foreign countries the principal sources are the Argentine Republic, France, and Chile. About £2,000,000 worth of imported angora hair is used in our woollen mills annually, over half coming from South Africa. European Turkey is the only other important source. We also purchase about £1,000,000 worth of woollen rags, principally from the countries of continental Europe, and over £2,000,000 worth of woollen and worsted yarns, principally from Belgium and France. The British importation of manufactured woollens has an annual value of about £8,000,000, two-thirds of it being for woollen stuffs which come principally from France, with Belgium, Germany, and Holland much less important contributors. Woollen carpets and rugs, which are imported to the value of about £600,000 annually, come principally from Turkey.

The total annual value of all woollens and worsted manufactures exported is over £20,000,000, and of woollen yarns about £7,000,000. The total value of woollen tissues exported is over £10,000,000 annually, more than 40 per cent being for heavy broad all-wool tissues, with light broad all-wool varieties responsible for almost 20 per cent. In tissues of mixed materials, wool predominating, the value is less than half the all-wool in heavy, and more than half the all-wool in light, qualities. Almost three-quarters of the total is purchased by foreign countries, the chief markets being Germany and France, followed by the Argentine Republic, Japan, Belgium, United States, Chile, Turkey, Austria, Italy, and China. The order of importance of the chief colonial markets is Canada, Australia, India, and Africa.

The exports of worsted tissues have a total value of more than £7,000,000 annually, two-thirds going to foreign countries, the principal markets being the United States, Japan, Germany, France, China, and the Argentine Republic, the order of importance of the colonial markets being the same as for woollen tissues. The chief woollen exports apart from tissues are woollen hosiery, carpets, rugs and coverlets, blankets, and flannels. The total export value of non-tissue woollen goods is about £4,000,000.

Britain imports about £7,500,000 worth of woollen manufactures annually, more than half of the total being woollen stuffs from France, and one-third being mixed yarns, chiefly from Belgium.

LINEN AND JUTE MANUFACTURE

Linen manufacture is of less importance than the great industries of cotton and wool, but it is still of high importance, and is centred chiefly in the north of Ireland—Belfast, Lisburn, and a few adjacent towns—and in the east of Scotland north of the Forth. The success of the Belfast linen trade is largely attributable to the same cause as the success of her mineral-water manufacture—the purity of the spring water, so that fine linen yarns spun in Continental countries are frequently sent to Belfast for bleaching. In Scotland the principal linen towns are Dundee, Arbroath, Brechin, Forfar, Dunfermline, Kirkcaldy, and some less-important towns in the same district. English centres of the linen trade are Barnsley and Canterbury. Linen sailcloth is made at Dundee, Sunderland, Stockton, and a few other towns. Imported flax, the raw material of the linen industry, has a value of over £3,000,000 annually, and the chief sources are Russia and Belgium. Linen yarn is imported to the value of about £1,000,000, chiefly from Belgium and France, and linen manufactures are imported to almost an equal value. The exports of linen reach the high total of over £8,000,000 annually, of which about £6,000,000 worth is for plain piece goods, and about £2,000,000 for yarn. Quite three-quarters of the total value is taken by foreign countries, and the United States takes more than half the total. To low-grade markets, such as India, the exports of linen are of small value, as

cotton serves the purpose for which linen is purchased by wealthier countries. The only department of the linen trade where British Colonies purchase more than foreign countries is that of sailcloth, which is largely bought by Australia and India. The importation in linen is small, only about £1,500,000 annually, most of it being from Belgium, largely in the form of yarn.

The principal home of the jute industry is Dundee, the only considerable seat of its manufacture in this country. The jute trade of Dundee has suffered from competition with the looms of India through the cheap labour there available. As far as jute manufacturing is concerned, India might be described as a branch establishment of Dundee. (See Chapter VI of this Part.) The raw jute used in this country is all imported, the value sometimes exceeding £8,000,000 annually, and practically all comes from India. A little jute yarn comes from France and Belgium, and jute manufactures to the value of about £2,000,000 annually come from India. The total annual value of the exports of jute and its manufactures exceeds £3,000,000, almost one-third representing yarn, for which the chief market is Brazil. Piece goods of jute are exported to the value of about £2,500,000 annually, half the value going to the United States, and the Argentine being the only other foreign market of importance. The only considerable colonial market for manufactures of jute is Canada.

MINOR TEXTILE INDUSTRIES

While the other textile industries of Britain have flourished and expanded, the silk industry has suffered decline. The silk districts of England are in Derbyshire, and the eastern parts of Cheshire and Staffordshire. The principal towns where the industry is prosecuted are Derby, Chesterfield, Ilkeston, Macclesfield, Congleton, and Leek. Macclesfield is the most noted centre of silk “throwing” or spinning. Leek makes sewing thread and dyes silk. Other seats of silk are Coventry (ribbons), Bradford (velvets and plushes), and Spitalfields and Bethnal Green, both districts in the East of London (umbrella silks). It would be possible, but uneconomical, to breed the silkworm in the United Kingdom, and all the raw silk for the British silk industries is imported, the chief source being China. Italy and France are the chief European countries where sericulture is an important industry, but

Europe is dependent upon Asia for two-thirds of the raw silk consumed in its manufactures. The value of raw silk, knubs, husks, and waste, and silk yarn imported by Britain is about £3,000,000 annually, but the imported manufactures of silk have a value of about £13,000,000 annually, the principal forms being broadstuffs and ribbons. The most important source of manufactured silk is France, the other principal sources being Switzerland and Germany. Japan is becoming a more important source of manufactured silk in the markets of the world.

Beside the imports of silk goods the exports are small, being of the value of only about £2,000,000. Broadstuffs, chiefly of pure silk, are the principal form of the exports, and the chief market is France.

The manufacture of floorcloth and linoleum may be reckoned a department of the textile industry. The principal centre of the floorcloth

manufacture is Lancaster, and of linoleum manufacture, Kirkcaldy, in Fifeshire, and Staines, in Middlesex. Britain is the pioneer country in this industry, which is prosecuted in several countries of continental Europe and in America, under capital largely British, but more particu-

larly Scotch, and under British direction. The annual export value in this group of industries exceeds £2,000,000, and the output is widely distributed, foreign countries purchasing the major share. There are practically no imports of these floor coverings.

LEATHER INDUSTRIES

In leather manufacture Britain does not take the high place of Germany and France either in the extent of her manufactures or in fineness of product. Leather manufacture is not localized as the textile industries are. Tanning is carried on all over the country, but the most important leather-producing centre is in Bermondsey in London. The principal boot and shoe centres are Leicester, Northampton, and Stafford, and the principal centres for saddlery and harness are Walsall and Birmingham. Gloves are manufactured at Worcester, Hereford, Woodstock, Yeovil, and Taunton, among other places. The annual importation of hides has a value of about £3,000,000. The principal sources are Italy, India, Germany, Russia, France, and Australia. In addition to this, dressed and undressed leather is imported to the value of about £9,000,000 annually, in

roughly equal proportions. Quite one-third of the total comes from the United States, and more than one-quarter from India. The value of boots and shoes and of gloves imported comes to about £2,000,000, principally for the latter. In neither department do the British Colonies compete, the principal source of imported boots and shoes being the United States, and the principal source of gloves being France. The exportation of leather is of much less value than the importation, being only about £2,500,000 annually. The exports of boots and shoes are worth about twice the value of the imports, the most important market by far being South Africa. The exports of gloves have only half the value of the glove imports, and the United States is the principal customer, purchasing about half the total.

MINOR INDUSTRIES

Cement manufacture is an industry that has assumed large proportions, although German output is twice as great as British output, and that of the United States is more than equal to the combined output of Germany and Britain. Cement is one of the first things manufactured in a developing country, because its cost is low compared with carriage charges it has to bear when imported. A little cement is imported, chiefly from Belgium. The exports of British cement have a value of over £1,000,000, and its destinations are widely distributed. The trade is subject to great fluctuations in different markets, and the building of a work, such as a new harbour, may swell the exportation to a given market for a brief period. For instance, after the San Francisco earthquake the imports of British cement by the United States increased enormously.

The manufacture of glass and glassware is frequently cited as a decaying industry in Britain, and it is true that the lower wages paid in foreign countries have militated against the prosperity of British glass-manufacturing industries. The imports of foreign glass and glassware have a value of about £3,000,000 annually, which is twice the

value of the British glass exported. About 40 per cent of the import value is for manufactures of flint glass, for which Germany and Belgium are the chief sources. Sheet and plate glass are also imported largely, chiefly from Belgium, and bottles come from Germany, France, and Holland. The exports of glass have a wide distribution. The principal seat of sheet-glass manufacture in this country is St. Helens, in Lancashire, and glassware is made in London, Birmingham, Newcastle, York, Stourbridge, Dudley, South Shields, and Glasgow. Bottles are made at many places, including London and many parts of Yorkshire.

The centre of the British pottery trade is in the district of North Staffordshire known as the Potteries, and comprising chiefly the towns of Burslem, Hanley, Stoke, Longton, Tunstall, and Fenton, now federated into the borough of Stoke-on-Trent, and Newcastle-under-Lyme. Worcester, Derby, and London are noted for their branded high-class pottery. Sanitary pottery is made in Glasgow, Kilmarnock, and many other towns, and there are local potteries in every county in England and Scotland. The importation of earthenware has a value of about £1,000,000 annually,

chiefly from Holland, Germany, and France. The exports are worth about £2,500,000 annually, the principal markets being the United States, Canada, the Argentine Republic, Australia, India, and New Zealand.

Paper-making is an important British industry, and its prosecution is widely scattered. Its manufacture is carried on in Kent, Derbyshire, at Darwen and other places in Lancashire, in Berkshire, Buckinghamshire, and in Midlothian. Paper-making materials are imported—chiefly esparto and wood pulp—to the value of over £4,000,000 annually. Wood pulp is now of far greater importance than esparto grass in the trade, and comes principally from Sweden and Norway. Esparto grass, which is used as a paper-making material in Great Britain as nowhere else, comes from North Africa and from Spain. Domestic output of paper is unequal to supply local demand, and about £6,000,000 worth is imported annually, principally from Northern Europe. Printed and coated papers are imported largely from Germany. Newfoundland is now a source of printing paper through the exploitation of its

paper-making timber by English capital. The exports of paper have a total annual value of about £2,500,000, the principal markets being France, Japan, South Africa, India, and Australia.

Among the less-important industries that are localized the following may be cited. Most other industries are widely distributed, and it cannot be claimed that they are specially identified with any particular districts or towns.

Tobacco—Liverpool, Bristol, London, Dublin, Belfast, Glasgow.

Oil expression—Hull.

Jewellery—London and Birmingham.

Candles—London and the shale-oil district of Scotland.

Rubber—Silvertown, Manchester, Leyland, Birmingham, and Glasgow.

Distilling—Dublin, the North of Ireland, and the Scottish Highlands.

Brewing—Burton-on-Trent, Canterbury and elsewhere in Kent, Edinburgh, Glasgow, Dublin.

Chairs—High Wycombe.

BRITISH EXPORTS AND IMPORTS

Of the total value of the imports of Britain, which is over £600,000,000, about five-twelfths consist of food, drink, and tobacco; about four-twelfths consist of raw materials; and about three-twelfths of manufactured goods. Of the total value of the exports, which is about £400,000,000 annually, just a little over 5 per cent is for food, drink, and tobacco; about 15 per cent is for raw materials, and about 80 per cent is for manufactured articles. These facts testify to the economic position of Britain, a country dependent upon other markets for her chief supplies of food and raw material, and reveal a manufacturing activity that her own natural resources are quite unable to feed with the material upon which to work. The export value is almost £9 per head of the population. This is more than twice that of the United States and about twice that of Germany. But a *per capita* rate means little, and does not necessarily indicate prosperity. It may denote a lack of balance in the economic condition of a country, and show only that in one main department—food products, raw materials, or manufactures—the country concerned has to depend upon other markets on account of an inevitable or preventable deficiency in her own abilities to supply all her own needs. Cape Colony has a higher *per capita* export trade than Britain, simply because she has practically no manufactures. With Britain the

reason for her high *per capita* trade is that she is deficient in the ability to provide her own food supply and raw materials.

It is also worthy of note that the foreign field is of highest value as a source of British imports; foreign countries sell to the United Kingdom almost 50 per cent more than they purchase from her. In the colonial field the two departments of trade preserve a rough balance on the average, the greater value being sometimes on one side and sometimes on the other. Foreign countries take about 70 per cent of Britain's exports, and British possessions absorb the remaining 30 per cent. Foreign countries provide from 75 to 80 per cent of Britain's imports, British possessions supplying the remainder. These percentages vary very little in the grand totals, although, of course, in many departments of trade variation is wide.

The order of importance of the chief foreign countries in the British import trade is as follows:—

- | | |
|------------------------|----------------------|
| 1. United States. | 9. Holland. |
| 2. Germany. | 10. Spain. |
| 3. France. | 11. Brazil. |
| 4. Russia. | 12. Sweden. |
| 5. Argentine Republic. | 13. Switzerland. |
| 6. Egypt. | 14. Austria-Hungary. |
| 7. Denmark. | 15. Norway. |
| 8. Belgium. | 16. Italy. |

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|---------------------|---------------------|
| 17. Chile. | 23. Portugal. |
| 18. China. | 24. Mexico. |
| 19. Asiatic Turkey. | 25. Java. |
| 20. Japan. | 26. Greece. |
| 21. Peru. | 27. Philippines. |
| 22. Rumania. | 28. Canary Islands. |

The order of importance of British Colonies and possessions as sources of British imports is as follows.—

- | | |
|-------------------------|---------------------|
| 1. India. | 9. West Indies. |
| 2. Australia. | 10. British Guiana. |
| 3. Canada. | 11. Hong Kong. |
| 4. New Zealand. | 12. East Africa. |
| 5. Straits Settlements. | 13. Newfoundland. |
| 6. South Africa. | 14. Mauritius. |
| 7. Ceylon. | 15. Cyprus. |
| 8. West Africa. | |

Judged by the value of their purchases of British exports the chief foreign markets take the following order of importance:—

- | | |
|------------------------|-----------------------------|
| 1. Germany. | 17. Asiatic Turkey. |
| 2. United States. | 18. Austria-Hungary. |
| 3. France. | 19. Norway. |
| 4. Argentine Republic. | 20. European Turkey. |
| 5. Italy. | 21. Java. |
| 6. Holland. | 22. Switzerland. |
| 7. Russia. | 23. Uruguay. |
| 8. Belgium. | 24. Portugal. |
| 9. Brazil. | 25. Mexico. |
| 10. China. | 26. Cuba. |
| 11. Japan. | 27. Portuguese East Africa. |
| 12. Egypt. | 28. Rumania. |
| 13. Sweden. | 29. Greece. |
| 14. Denmark. | 30. Peru. |
| 15. Spain. | 31. Philippine Islands. |
| 16. Chile. | |

The order of importance of British Colonies and possessions as purchasers of British exports is as follows:—

- | | |
|-------------------------|-------------------------|
| 1. India. | 8. Hong Kong. |
| 2. Australia. | 9. British West Indies. |
| 3. Canada. | 10. Ceylon. |
| 4. South Africa. | 11. Malta. |
| 5. New Zealand. | 12. British Guiana. |
| 6. Straits Settlements. | 13. Newfoundland. |
| 7. British West Africa. | 14. Gibraltar. |

In surveying the oversea trade of the United Kingdom it is well to notice that the outward trade with a great many markets has a much higher annual aggregate than the inward trade; that is to say, we sell to these markets far more than we purchase from them. Among foreign countries these markets are German West Africa, Java and the Dutch East Indies, French West Africa and West Indies, all Portuguese colonies, Italy, Bulgaria, Turkey, Congo State, Persia,

Siam, China, Japan, Cuba, Hayti and San Domingo, Colombia, Panama, Venezuela, Ecuador, Uruguay, and West Africa. Portugal, Greece, Mexico, and Morocco are roughly equal, the purchases from these countries being just about the same value as the sales to these countries. The British Colonies and possessions to whom we sell more than we purchase from them are Gibraltar, Malta, Newfoundland, Bermudas, British West Indies, India, Malay States, Hong Kong, Mauritius, Aden, British East Africa, British South Africa, and the British West African Colonies. In the case of British Guiana British exports and imports are about equal. It will be observed that the important European States in this list are Italy and Turkey. In the trade relations with the other countries of the world the imports to Britain exceed in value the exports from Britain. It must be borne in mind in comparing values of imports and exports that exports are valued f.o.b., whilst imports are valued c.i.f., that is including cost, insurance, and freight.

Official records show that there are many commodities that are imported into Britain, but that there is no exportation of the same kind of goods. Such goods are nearly all natural products, for which Britain must depend upon oversea territories for her supplies.

Then there are many commodities in which there is both an export and import trade, but in which the import trade is much greater than the export trade. In such things it may be considered that Britain, from the more favourable natural conditions obtaining in other countries, or for other reasons, is less strong than some other supply market. These include many raw manufacturing products, foods and chemicals, animals and animal products, and some manufactures.

The articles which are exported to a higher value than they are imported, represent the classes of goods in which Britain holds her own with other markets, but for which she is indebted somewhat to other markets to meet her own consumption. The list of such goods includes:—

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|--|--------------------------------------|
| Apparel. | All soda compounds. |
| Arms and ammunition. | Sulphuric acid. |
| Printed books. | Earthenware and china. |
| Bricks. | Cordage. |
| Candles. | Malt. |
| Rubber goods. | Bran and pollard. |
| Cycles. | Cotton yarn and cotton manufactures. |
| Cattle food. | Cutlery. |
| Cement. | Electric wire and cables. |
| Coal-tar products, including aniline and coal-tar oils, carbolic acid, naphtha, naphthalene, &c. | Hardware. |
| | Hats and bonnets. |

Implements and tools.	Nearly all iron and steel manufactures.
Jute yarn and manufactures.	Cotton-seed oil.
Boots and shoes.	Linseed oil.
Linen yarn and manufactures.	Oil and floorcloths.
Machinery.	Wallpaper.
Machinery belting.	Perfumery (non-spirituous).
Manufactures of brass, bronze, and copper.	Gold and silver plate.
Pig iron.	Salt.
Iron castings, forgings, and sections.	Soaps.
Rails and girders.	Spirits.
Wire.	Stationery other than paper.
	Vinegar.
	Wool yarn and manufactures.

Finally, there are some classes of goods which Britain exports, but of which she imports none, or next to none. They may be taken as representing the departments of trade in which she is supreme in her own market and in the neutral markets of the world. The list of such goods is as follows:—

Aerated waters.	Grease, tallow, and animal fat.
Biscuits and cakes.	Haberdashery.
Blue.	Hatters' wares.
Railway carriages and wagons.	Locomotives and steam engines.
Aluminous sulphate.	Sulphate of ammonia.
Clay.	Galvanized sheets.
Coal, coke, and manufactured fuel.	Tinplates.
Cloth cuttings.	Anchors, chains, and cables.
Crucibles.	Rags, not for paper-making.
Engine and boiler packing.	Saddlery and harness.
Fishing tackle.	Ships and boats.

The immense trade of Britain, the geographical position of the country, and the great mercantile marine which sails from and returns to British ports have raised the country to this high position as the chief entrepôt of the world. The foreign and colonial goods imported into Britain, and again exported to oversea markets, approach the large total value of £100,000,000 annually. The value is more than one-fifth that of domestic exports. Almost 60 per cent of such goods con-

sists of raw materials, 30 per cent of manufactured goods, and over 10 per cent of food and drink. Six-sevenths of the whole go to foreign countries, and only one-seventh to British Colonies and possessions. The principal classes of raw materials for which Britain is the temporary resting place during their progress from their source to the fields of consumption are textile materials—wool, cotton, jute, hemp, and silk—raw rubber, hides and skins, and oil seeds. The manufactures filtering through Britain in this way are very varied in their nature, but the most important articles are refined tin, copper, machinery, cotton, lace goods, woollen and jute manufactures, apparel, chemicals, and leather. The chief articles in the great department of food and drink are grain and flour, cured fish, coffee, tea, fruit, leather, cocoa, preserved meat, bacon and hams, sugar and wine. One-quarter of the entire value of this entrepôt trade finds its market in the United States. This fact is interesting testimony to the value of the British merchant fleet, and to the poverty of the United States in shipping facilities with the markets whence it draws such an important proportion of its imports. Were shipping communications between the United States and these countries good, that great traffic would reach the United States direct and without the service of the British merchant fleet. The other important destinations of goods passing through Britain are Germany, France, Russia, Belgium, Holland, and Italy. The only important colonial markets for such goods are Australia, Canada, India, and South Africa.

In addition to this entrepôt trade there is a transshipment trade in dutiable goods transhipped under bond to oversea markets. Its value approaches £20,000,000 annually. It consists of spirits, sugar, tea, tobacco, wine, and other goods. The principal sources of such goods are France, the United States, Germany, Holland, Brazil, Belgium, Spain, Turkey, and Portugal; the principal destinations are the United States, Germany; India, Australia, Canada, South Africa, New Zealand, Holland, and Brazil.

MINOR BRITISH ISLANDS

The islands included within the political boundary of the United Kingdom, but sufficiently distant to be out of the main current of the industrial life of the country, are the Shetland and Orkney Islands on the north of Scotland; the Outer Hebrides and the small Atlantic outpost of St. Kilda on the west of Scotland, the Isle of Man, midway between Ireland and the north of Eng-

land; the Scilly Islands, off Cornwall; and the Channel Islands. Industrial conditions in these islands approximate to the conditions in England and Scotland before the great developments of railways and production by machinery left these detached parts in the backwaters of advance. Population and enterprise drift to the centres of activity, where the prizes of individual effort are greater.

Orkney and Shetland have a mild climate due to the Gulf Stream. The chief industry is herring fishing, but there is a fair amount of agriculture—cereal crops and vegetables—and stock-raising is profitable, producing cattle, sheep, pigs, and, in the more northerly group, the famous Shetland ponies. Woollens and knitted goods are manufactured in the homes of the islanders. In the Hebrides cattle-raising is the chief industry, and oats, barley, and potatoes are grown. The fisheries are not exploited as they might be. The holdings of the crofters are small and inadequate for decent subsistence, so that the condition of many of the islanders is miserable. St. Kilda, 40 miles west of the main Hebrides group, has only about 40 acres of arable land and a population of less than 100, so that its value is negligible. Sheep and cattle are pastured, but fowling is the principal industry. The Isle of Man (area 220 sq. miles) is of value chiefly as a holiday resort—as such it is remarkably developed. The chief towns are Douglas, Ramsey, Peel, and Castletown. About

two-thirds of the total area of 220 sq. miles is under cultivation. There are special breeds of ponies, cattle, and cats. The island is not subject to British import taxation, but imposes its own customs duties, which include taxes on tea, tobacco, alcohols, and sugar. The Scilly Islands are 25 miles from Land's End, and have an area of about 6 sq. miles, and a population of about 2000. They pertain to the county of Cornwall. The great industry is the cultivation of narcissi for the London market. The Channel Islands—the chief being Jersey, Guernsey, Alderney, and Sark—have an area of 75 sq. miles and a population of about 100,000. They are famous for their breeds of cattle, and supply fruits, vegetables, and flowers for the English markets, notably grapes, tomatoes, and potatoes; and Guernsey supplies blue granite. The fisheries, also, are of some importance. The islands are favourite holiday resorts. They are outside the fiscal area of the United Kingdom, and are almost free from taxation.

CHAPTER VI

THE RESOURCES AND TRADE OF THE BRITISH EMPIRE

Aden—Ascension—Australia—Bermudas—British Borneo—British Guiana—British Honduras—British South Africa—British West Indies—The Dominion of Canada—Ceylon—Cyprus—East Africa Protectorate—Falkland Islands—Federated Malay States—Fiji—Gambia—Gibraltar—Gold Coast Colony—Hong-Kong—India—Malta—Mauritius—Newfoundland—New Zealand—Northern Nigeria—Nyasaland Protectorate—St. Helena—Seychelles—Sierra Leone—Somahland—Southern Nigeria—Straits Settlements—Uganda Protectorate—Wei-hai-wei—Zanzibar

ADEN

Aden is the name of a town as well as of the territory of which the town is the chief commercial centre. It is situated on the coast of Arabia, 100 miles east of Bab-el-Mandeb, and about 1400 miles south-east of Suez. It is a fortified coaling station. The area of the whole, including Perim, is 80 sq. miles, or about half that of the county of Rutland. The population is 44,000, chiefly composed of Somalis.

Shipping

Aden is a free port, with an outer and an inner harbour. The P. & O. steamers call weekly on their way to and from India, and fortnightly on the China and Australian routes; but, in addition, all British and most foreign steamers travelling via the Suez Canal call. Aden is also served by the Barber Line and by the American and Indian Line sailing from New York, the former at frequent intervals and the latter monthly. The tonnage of the vessels entering the harbour is about 3 million tons annually. There are no railways in the territory.

Trade

Aden is not itself productive, and, except for the exports from the interior of Arabia that find an outlet via Aden, the trade is exclusively trans-shipment trade. The annual value of exports approaches £3,000,000, but less than £200,000 worth of merchandise from Aden reaches Britain. The chief Arabian exports consist of coffee, gums, skins, and tobacco. The principal exports to Britain are sheepskins, coffee, undressed goatskins, ivory, and raw hides. The value of imports is over £3,000,000 annually, and Britain provides only about 10 per cent of the total, half of this being for coal. The only other item of importance is cotton piece goods.

The only customs duties in force are those upon beer (1 anna per gallon or 2 annas per dozen quarts), spirits (£s5 per proof gallon), sparkling wines (£1½ per gallon), other wines (12 annas per gallon). The importation of salt is prohibited.

Aden is politically attached to Bombay, and the currency is as in India. There are no regulations affecting commercial travellers.

ASCENSION

Ascension, an island with an area of 34 sq. miles, 700 miles north-west of St. Helena, is an Admiralty coaling station and port, and entirely under the control of the Admiralty. The population is about 400, and the sole occupation of the people is found in the victualling and coaling

yards. The garrison station is called Georgetown, and is in telegraphic communication with St. Helena, St. Vincent, Sierra Leone, South Africa, and Britain.

A Union-Castle liner calls at monthly intervals on its way between Cape Town and Southampton.

There are practically no exports, and the imports, consisting of coal, beer and ale, and the miscellaneous requirements of the inhabitants, aggregate about £5000 annually from Britain. The island contains many land crabs, and the shores abound with green turtles.

AUSTRALIA

The area covered by the Commonwealth of Australia is about 3,000,000 sq. miles. The figures are invested with a more precise meaning if we remember that Australia has an area almost exactly equal to that of the United States of America, not including Alaska.

The component states, in a descending order of size, are: Western Australia, South Australia (including the Northern Territory), Queensland, New South Wales, Victoria, and Tasmania. The official estimates of population at the end of 1908 for the different states were:—

New South Wales	...	...	1,605,032
Victoria	...	...	1,273,313
Queensland	...	...	558,237
South Australia	...	...	407,180
Western Australia	...	...	270,777
Tasmania	...	...	184,649

making a total population for the Commonwealth of 4,259,188. Thus, in the entire colony or federation of colonies covering an area equal to that of the United States, the population is only two-thirds that of Greater London. Australia is the most sparsely populated of any civilized country, the relation to area being only 1.41 persons per square mile. This feature is one that occasions deep concern to Australian statesmen and economists.

There are four cities in Australia with populations of over 100,000. They are Sydney, the capital of New South Wales (600,000); Melbourne, the capital of Victoria (550,000); Adelaide, the capital of South Australia (190,000); and Brisbane, the capital of Queensland (140,000). Perth, the capital of Western Australia, has a population of about 60,000, and Hobart, the capital of Tasmania, has a population of about 40,000.

Shipping and Railways

The importance of Sydney as a port will be realized when we mention that the shipping entering it is 40 per cent more than the shipping entering Glasgow, being about 6,000,000 tons annually. Melbourne claims three-fourths as much tonnage as Sydney, and the other chief ports of

Australia, in the order of their importance, are Port Adelaide, Port Newcastle, Brisbane, Fremantle (the port of Perth, W.A.), Townsville, Albany, and Hobart. The chief shipping services between Western Europe and Australia are those of the Orient Royal Mail Line from London and Marseilles fortnightly; the Peninsular and Oriental Line, including the former Blue Anchor Line, from London and Marseilles fortnightly; the Messageries Maritimes from Marseilles twice a month; the North German Lloyd from Southampton and Genoa every four weeks; the New Zealand Shipping Company from London and Plymouth, but calling at Hobart only among Australian ports; the Queensland Line monthly from London to Queensland ports only; the Aberdeen Line from London monthly or more frequently; and the White Star Line from Liverpool monthly.

Regular steamship service between Australian ports and New York is rendered by several lines—the American and Australian Steamship Line (fortnightly); Arnold, Cheney & Co.'s Star Line; Bird, Potter & Hughes' Line; Merchants' Line; New York and Australia Line; the Peabody Line; the Pioneer Line; the Lyser Line; the U.S. and Australasia Line (every six weeks); and the West Australian Line (to West Australia only). The Oceanic Steamship Co. has a three-weekly service from San Francisco to Australian ports.

Australia possesses over 16,000 miles of railways, of which almost 15,000 miles are owned by the governments of the various states. About 11,000 miles are in the eastern states of Victoria, New South Wales, and Queensland. A railway line is projected between the systems of Western Australia and the Eastern States, thereby making a trans-continental trunk line. Similarly it is proposed to extend the South Australian Railway to the Northern Territory, giving through communication between north and south, and a much needed impetus to the development of the Northern Territory.

Resources

Although of such vast size, the great colony of Australia has not natural resources—actual or potential—proportionate to its area. If the island

continent had been possessed of a few more rivers, the available wealth of Australia would have been multiplied. Although the area of sterility and desolation is not so vast as was at first supposed, it is still great, and a drought is a national calamity the effects of which it takes years to surmount. Irrigation schemes and the water-raising wind engine have mitigated the danger of water famine, and, as money is spent in prosecuting further public and private schemes, the danger of droughts will become less, and their recurrence much less frequent.

But the natural difficulties under which Australia labours are circumscribed in their area, and the position and prospects of Australian industries are satisfactory. As a contributor to the wealth of the Empire and the world she occupies a high place. The chief resources as at present exploited consist of animal stock, mineral deposits, and agricultural produce in the order of importance given. These three groups we shall consider briefly, and thereby gain some conception of Australia's place in the economic scheme of the nations.

Animal Wealth

First, considering Australia's pastoral products, we may note that about half the entire export trade pertains to this department. Its total annual value is about £35,000,000, and over 80 per cent of this enormous bill is for wool. Australia supplies almost half the sheep's and lamb's wool imported into Britain, and if the supplies were withdrawn, half the woollen mills in the home country would close down. Sheepskins are next in importance, the value exported aggregating nearly £2,000,000, and a little way behind is frozen mutton, the exports of which have almost tripled in five years. The annual value of the tallow exported is over £1,000,000. Frozen beef and rabbit skins, undressed furs and horses, are the other important articles in the "pastoral products" group which are exported to an annual value in excess of £250,000. The minor products include frozen rabbits, hides, sausage casings, hair, horns, bones, and glycerine. During recent years the entire trade in animal produce has steadily increased, and the exports doubled in value within five years. The number of sheep upon the grass lands of Australia approaches 100,000,000, and seeing that the number of cattle, horses, and pigs together is only one-eighth as large, the overwhelming importance of sheep may be remarked. It is also worthy of note that the sheep was originally imported, and is not native to Australia.

Mineral Wealth

Although Australia is pre-eminently a pastoral country, the value of the production from its flocks and herds far exceeding the returns of mining, yet its mines and mining developments are of great and increasing importance. It was the discovery of its mineral wealth that first attracted a flood of immigration to Australia and laid the foundation of its nationhood. Though coal was the first mineral to be found, it was the discovery of gold, overshadowing coal in popular estimation, that brought the large influx of population. During the seventy years of Australian gold-mining industry the island has supplied the world with £500,000,000 of the precious metal. Over one-sixth of the world's total output now comes from Western Australia, although the yield has passed its highest point. The other chief metals at present worked are silver, copper, and tin. The annual production of silver and lead ore exceeds £5,000,000. The chief deposits are the Broken Hill properties in New South Wales towards the South Australian border, whence 85 per cent of the entire output comes. Tasmania supplies nearly all the remainder, although Queensland silver is beginning to be not unimportant. The annual value of the copper ore produced is rather more than £3,500,000, Queensland, Tasmania, New South Wales, and South Australia being the chief copper states. Iron is produced in New South Wales to the value of £60,000, and in the same state zinc to the value of over £500,000.

The tin produced annually is of the value of a million and a half sterling, the centres of production being in Tasmania, Queensland, New South Wales, and Western Australia. Other metallic minerals exploited on a small scale include antimony, barium, bismuth, manganese, molybdenum, and wolfram.

The chief non-metallic mineral is coal, which is almost confined to New South Wales. The Commonwealth output approaches 10,000,000 tons annually. Most of it is high grade. New South Wales has the richest known shale-oil field in the world in the properties of the Commonwealth Oil Corporation, whose deposits contain from 80 to 120 gal. of crude oil per ton of mineral, which is four to six times the percentage contained in Scottish shale. The other non-metallic minerals worked are alunite, graphite, gypsum, tripolite, and salt. All these are exported on a small scale. Australian opals are of some importance, and the value recovered annually is about £80,000, nearly the whole of which comes from Whitecliff in New South Wales. In Queensland, sapphires

are found upon a considerable scale, and in New South Wales a few diamonds.

Farming

The acreage of Australia under crops is small compared with the size of the country, and there are several contributory causes to this condition of things. The mining boom drew attention away from the surface of the soil to the hidden harvests below, and stock-farming, particularly sheep-farming, is found to be much more profitable than tillage. The recurring droughts in the three eastern states militate against successful agriculture, making the results of the best-directed efforts uncertain. The area under crop in the entire Commonwealth is over 9,000,000 acres. The chief farming states are Victoria, New South Wales, and South Australia, in the order given. The proportionate increase has been greatest in Western Australia. Almost 60 per cent of the cultivated land of the whole territory is under wheat, and about 20 per cent under grass. Every other crop, comprising oats, maize, green forage, fruit, potatoes, sugar cane, barley, and grapes, is of much less importance.

Dairy farming has become of great importance, and gradually the importation of butter and cheese has almost ceased. Concurrently the export trade has increased until the value exported is about £3,000,000, nearly all for butter. Cream separation and butter-making are often carried on together under the co-operative system. The creation of large central butter factories supplied by numerous separating establishments or "creameries" has resulted in a considerable reduction in cost of manufacture, since improved appliances such as refrigerators may be profitably worked at the larger establishments. The product is also of a more uniform quality. The number of farmers who adhere to hand processes is steadily diminishing. There are about 600 butter and cheese factories operating. In the list of countries supplying butter to the United Kingdom Australia stands third, being beaten only by Denmark and Russia; probably before long she will have second place. Bacon-curing, poultry-farming, and bee-farming are prosecuted, but they are not yet of national importance.

Timber

Over 5 per cent of the area of the Commonwealth is forest land—more than 150,000 sq. miles—and the hardness and durability of Australian timber make it excel for certain purposes. But the export trade shows a considerable decline

during recent years, and the value is now about £900,000, of which Britain takes about 10 per cent. The reason for the serious decline is to be found in the fact that Australian timber does not enter into ordinary consumption, but finds its special sphere of usefulness for railway sleepers and paving blocks, orders for which are relatively few but individually large.

The pre-eminent timber trees of Western Australia are the jarrah and the karri. The former is in great request for poles in jetty and bridge construction, and for railway sleepers and street paving. It also furnishes a favourite material for boat-building, fencing, and rough furniture, and makes excellent charcoal. Karri is heavy, dense, elastic, and tough, not so easily worked as jarrah, and is used for bridge decking, flooring, planking, spokes, felloes, shafts, and street paving. Silky oak is used largely locally for coopers' work and also for furniture. Samples of silky-oak furniture shown at exhibitions in London have excited much admiration. There are several varieties of iron-bark wood found in Australia, and they are extensively used for building bridges and culverts, sleepers and fencing, and for carriage and wagon building. They have great tensile strength, and often stand fire that would bend iron girders, so that they are employed as girders for upper floors that carry heavy weights. In addition, there are many varieties of red gum, and quite a score of other woods valuable in commerce.

The Fisheries

The fisheries of Australia are not of importance outside Australia, if we except the pearl fisheries of Queensland. The importation of edible fish is large, and Australia will never develop its fisheries so as to be independent of outside supplies. The pearl fisheries of North Queensland are supervised by Government. The inshore waters have been entirely worked out, and the deeper waters from 3 to 20 miles out are now being worked. The value of the pearl shell secured in Queensland is about £70,000 annually, and that of *bêche-de-mer*, a sea-slug which is dried and esteemed by the Chinese as a delicacy, about £30,000. The former has shown great decline during recent years, and the latter great augmentation.

Manufactures

The federation of the Australian States into the Commonwealth of Australia, which became an accomplished fact on the first day of the present century, gave the opportunity to Australian manufacturing industry. There were many industries

in being before then, but the selling markets were virtually confined to the States in which the individual factories were situated. There were Customs barriers between the different States, each of the six States that now comprise the Commonwealth constituting a fiscal entity apart from all the others. The result was that before federation the manufacturer of New South Wales who sent his products into Victoria had to compete against the products of Asia, Europe, and America, whose greater and long-established industries produced at a much lower cost than was possible where infant industries laboured under the peculiar local disadvantages. Federation made the whole Commonwealth subject to a uniform scale of Customs duties, with free trade within the federation between the various States. Each manufacturer then had his territory multiplied several times, and was able to operate within the enlarged field without having to compete on equal terms with Britain and foreign countries.

The number of factories in the Commonwealth in 1901 was under 12,000, and in 1910 the number was about 13,000. The number of employees was increased in the same time from 204,317 to about 260,000, an increase of almost 27 per cent. The significance of the latter figures is that not only were 658 new establishments started, but that the existing industries extended their output considerably under the encouragement of a wider market. These figures must not be accepted as an absolutely exact basis of comparison, however, because formerly different definitions prevailed in the various States as to what constituted a factory, and it was only in the year 1907 that something approaching uniformity was adopted throughout the Commonwealth. A factory now means any manufacturing establishment where not fewer than four hands are employed or where power is used.

The chief manufacturing States are the most populous—Victoria and New South Wales. In these two three-quarters of the entire manufacturing establishments of the Commonwealth are to be found. Queensland and South Australia claim between them about 2500 establishments, Queensland having more than her sister State; and Western Australia and Tasmania have about 1200 between them, the higher proportion belonging to the former State.

While it is impossible here to consider the several industries in the various States, we may consider the various classes of industries in the Commonwealth as a whole.

The greater number of manufacturing establishments are occupied with textiles and clothing. But the value of raw material worked into finished

product in factories supplying food and drink is nearly four times as much as in those concerned with textiles and clothing.

The weaving of wool has become well established as an Australian industry. There are more than 20 factories, with over 2500 hands. Nine of these factories are in Victoria, 5 in New South Wales, 4 in Tasmania, 1 in Queensland, and 2 in South Australia. The industry employs more hands and capital than it has ever done. The product consists principally of tweed cloths, flannels, and blankets, and the quality of the manufactures is excellent. There is no cotton or linen weaving in Australia. There has been a little cotton-spinning at various times, and one mill is now in operation in Queensland.

There are about 70 bacon-curing factories, which dispose of more than 350,000 pigs annually, with a value of over £1,000,000 every year. The butter and cheese-making establishments are naturally more numerous, as a farm may be a factory. The value of the butter and cheese produced annually is between six and seven millions sterling. The frozen-meat industry has made great headway, and is capable of very considerable expansion still. The freezing process places the markets of London and the United Kingdom within reach of the Australian exporter. The meat- and fish-preserving works and ice and refrigerating works of the Commonwealth number 150. There is no exact information regarding the value of the output, but it is worth notice that well over a million and a half of sheep are treated every year. The other food manufactories include over 30 biscuit factories, more than 100 preserve factories (jams, pickles, sauces, vinegar), about 80 confectionery works, 250 flour mills, 60 cane-sugar factories (nearly all in Queensland, where the industry has developed under State support), about 140 breweries, 30 distilleries, and 30 tobacco factories.

The manufacturing establishments in the metal and engineering industries number over 1500. It might be expected that this branch of manufacturing industry would be quickly responsive to the wider market occasioned by the federation of the States. The greater number of them—quite two-thirds of the total—are in Victoria and New South Wales. In addition to engineering works that supply local domestic requirements, there are a number of large and important establishments which engage in the manufacture of special classes of machinery and implements. The manufacture of mining and smelting machinery and apparatus forms an important section of this industry, and many Australian mines have been locally equipped. The Commonwealth has over 70 smelting works,

of which 50 are in New South Wales, 14 in Queensland, 2 each in Victoria and South Australia, 5 in Tasmania, and 1 in Western Australia. The works treat iron, copper, tin, zinc, antimony, bismuth, manganese, and molybdenum. The importance of metallic and other minerals has been considered in discussing the mineral resources of the colony. The manufacture of agricultural implements is an important industry in Australia, and has increased enormously during recent years. In 1904 the factories numbered only 95; in 1910 they numbered about 150, over 100 of them being in Victoria and South Australia. The stripper-harvester is an Australian invention, and is exported to many countries, as well as finding an extensive local market. It combines the stripper with a mechanism for winnowing and bagging grain. The chief agricultural implements manufactured otherwise include strippers, stump-jump ploughs, disc cultivators, winnowers, corn-shellers and baggers, and drills. The tariff favours this domestic production.

The manufacture of vehicles, saddlery, and harness is another group of importance which claims over 1000 establishments; but many of the individual establishments are small, hence their number is large. The group includes saddlers' shops, and small carriage, cart, and cycle works. But the most important part of the group is the factories for the manufacture of railway carriages and rolling stock, which includes railway and tramway workshops. The number of these is about 70, of which 25 are in New South Wales and 15 in Victoria. They find employment for over 10,000 hands. They are principally state institutions, but several private establishments manufacture rolling stock.

The number of wood-working establishments is over 1200, which includes sawmills. Sawmills number nearly 800, almost half of them being in New South Wales. The timber wealth of the great colony has already been considered, and as the wood-working industry is scarcely competitive with Britain, we need not examine it in detail. But we may note that there are also more than 320 furniture factories in Australia, employing 4800 hands. The Australian hardwoods make valuable furniture material, and the industry is an expanding one.

Another industry which has received substantial encouragement from federation is the manufacture of boots and shoes, which now employs over 300 factories. The number of shoe factories using power approaches 200, which may be taken as the number of what we may properly call factories. They are situated chiefly in Victoria and New South Wales. The value of the annual output is about £3,000,000.

The manufacture of hats and caps has attracted capital and enterprise in Australia, and under the protective tariff it seems to have attained a secure position, employing almost 3000 hands and boasting some 60 factories. Manufactories of soaps and candles have become fewer in number but larger in size, and the output, principally in New South Wales and Victoria, has gone up considerably. Tanning was formerly confined to the coarser grades of leather, but the tanning of the finer leathers is now undertaken with satisfactory results. The factories are fewer in number than they used to be, but the number of employees and the output are greater. In the returns, tanning, fellmongery, and wool-scouring are grouped together, and the factories number 300, with over 5000 employees.

Australia has over 30 tobacco factories, with about 3500 hands, chiefly in New South Wales and Victoria. The local market is now largely supplied with local manufactures of tobacco.

The only manufactures we need now consider are brewing and distilling. Some breweries in Melbourne have been closed as a result of an amalgamation, but 2 co-operative breweries have been opened—a workmen's co-operative brewery in Sydney, and a co-operative brewery by some "free" hotelkeepers in Melbourne. The total number of breweries in Australia is about 140, and the employees exceed 3000. There are some 30 distilleries, but only 2 in New South Wales, and none in Western Australia and Tasmania. South Australia is the chief distillery state, and contains some 20 distilleries.

These are the main manufactures of Australia, and the rapid review will give some idea of the extent to which Australia is becoming able to supply her domestic demand. The progress in manufacture since the colonies became intimately associated in a permanent political unity has been great. It would have been greater still but for labour dominating the industrial situation in Australia as it does nowhere else in the world. Thus capital is timid. The resources of Australia are valuable, and while the great antipodal colony will not show the progress of Canada in the near future, she seems assured of a steady advance along the path of industrial activity.

Bounties

Australia has adopted the bounty system for the encouragement of certain manufactures, and by the passing of the Bounties Act of 1907 decided to spend a sum not exceeding £339,000 during a period of fifteen years to encourage certain selected industries. The Act is hedged with certain conditions. Australia, we often hear, is a

white man's country, and the Act makes specific regulations to prevent the labour of any yellow man from entering into the production of any goods receiving a contribution from the bounty fund. All labour must be white, but any person born in Australia and having one of his parents white is a white person within the meaning of the Act, and an Australian aborigine may be employed. Persons claiming bounty must produce records of wages paid, and if such records show that the wages paid have been, in the opinion of the official charged with the administration of the Act, below standard wages for the particular class

of employment concerned, the bounty will be withheld. For the first five years of the period the money available for bounty is considerable, ranging from £46,000 to £64,000; but the annual sums thereafter decline, until during the last five years of the fifteen the sum available is only £2500. It was left to the discretion of the officials to administer the Act in the event of the legitimate applications for bounty payments aggregating more than the money available for their satisfaction, for the Act made no provision for a *pro rata* payment. The goods subject to bounty and the rates of bounty appear below:—

Goods on Production of which Bounties are Granted.	Period dating from 1st July, 1907, during or in respect of which Bounty may be paid.	Rates of Bounty	Maximum Amounts which may be paid in any one year
Cotton, ginned	8 years	{ 10 per cent on market value	{ £6000.
New Zealand flax	10 years	{ 10 per cent on market value	{ £3000.
Flax and hemp	5 years	{ 10 per cent on market value	{ £8000.
Jute	5 years	{ 20 per cent on market value	{ £9000.
Sisal hemp	10 years	{ 10 per cent on market value	{ £3000.
Cotton seed supplied to an oil factory for the manufacture of oil	{ 8 years	{ 10 per cent on market value	{ £1000.
Linseed (flax seed) Do.	5 years	{ 10 per cent on market value	{ £5000.
Rice, uncleaned	5 years	20s. per ton	£1000.
Rubber	15 years	{ 10 per cent on market value	{ £2000.
Coffee, raw, as prescribed .. .	8 years	1d. per lb.	£1500.
Tobacco leaf for the manufacture of cigars, high grade, of a quality to be prescribed	5 years	$\frac{3}{4}$ d. per lb.	£10,000.
Fish preserved, as prescribed	15 years	1d. per lb.	£1000.
Fruits—Dates (dried)	{ 5 years	{ 10 per cent on market value	{ £6000.
„ dried (except currants and raisins) or candied, and exported	{ 3 years from 1st January, 1909	{ $1\frac{1}{4}$ d. per lb.	{ £10,000.
Combed wool or tops, exported ...	{ 1 year from 1st January, 1912	{ 1d. per lb.	{ £10,000.
	{ 1 year from 1st January, 1913	{ 1d. per lb.	{ £10,000.

It will be observed that in the case of two items, dried fruit and combed wool, the bounty can be earned, only if the goods are exported.

In addition to the Act mentioned, another Act of December 14, 1908, provided for bounties on certain metal manufactures. They are divided into two classes. The first includes pig iron made from Australian ore, puddled bars and steel made from Australian pig iron; the bounty offered on these is at the rate of 12s. per ton, and the total sum given in bounty may be not more than £150,000. The date of the expiry of the bounty is June 30, 1914. The second class comprises galvanized sheets or plate iron or steel made from

Australian ore, wire netting made from Australian ore or British wire, wire made from Australian ore, wrought tubes not more than 6 in. in diameter made from Australian iron or steel. In this case the rate of bounty is 10 per cent of the value, the total sum not to exceed £30,000. The bounty was to continue till June 30, 1912.

Export duties are not a part of the Australian fiscal system. Guano exported from Queensland is charged with an export duty of 5s. per ton, but this is the only export duty prevailing in the Commonwealth. Mineral lands which are Crown property pay mining royalties upon output, but this is not an export tax.

Imports

Britain's contribution of Australia's imports is over 60 per cent of the total imports, the exact annual value being over £30,000,000. This cannot be regarded as otherwise than satisfactory. The proportion is less by 9 per cent than it was twenty years ago, but it was not in the natural order of things that with new competitors in the world's markets British supremacy could remain upon the high plane which it formerly occupied. A proper estimation of the factors at work in the neutral markets of the world compels this conclusion, and to talk about the decline of British trade in Australia because Germany's proportion has risen from 4½ to about 9 per cent in twenty years, and the proportion of the United States has risen from 6½ to 13 per cent during the same period, while the British share remains at 60 per cent, is to confess incompetence to give a fair judgment upon commercial movements. If a shopkeeper has the only shop in the street, he will do all the trade in his particular line of business in that street. If some competitors open shops in the same street, he cannot possibly continue to do all the business. He is a very shrewd man if he does three-fifths of the total.

But Australian imports from other parts of the British Empire have shown a tendency to increase, and they are now 13 per cent of the total, so that Britain and her possessions do over 70 per cent of the entire import trade of the Commonwealth. The preferential tariff has been too short a time in operation to make an estimate upon the benefits that it will confer upon British export trade. That it will benefit British trade somewhat there is no question. Perhaps the benefit will not be particularly obvious. The preference may merely prevent a decline that would otherwise have taken place. It is also certain that competitors are not going to let the preferential tariff operate against them if they can help it. If they can equalize matters or regain the advantage by price concessions, they will do so. It is not in the human nature that presides at the desk of commerce to let a trade struggle be lost by default, if it can use a weapon that will turn the battle in its favour. But at present the tide of warfare is, in the main, in favour of Britain, notwithstanding that along the line of attack and defence several minor outposts have been captured by the commercial competitors of the mother country.

Of the several British colonies that participate in Australia's export trade, Ceylon and India have greatly strengthened their positions since this century began. The former has doubled her trade, and the latter has multiplied hers by three. China has

been displaced by India and Ceylon in the tea trade. In the list of foreign countries competing for Australian trade, the United States takes first place with a value of about 6 millions sterling annually; Germany has a little more than half that amount; and Belgium accounts for less than one-third as much as Germany. No other country has more than £500,000 except Japan, the phenomenal increase of whose trade with Australia, which doubled within the space of a decade, is a significant feature of trade movements in the Far East.

The chief commodities supplied to the Australian market by the United States are machinery, petroleum, timber, tools, wire, agricultural machinery, metal manufactures, lubricating oils, paper, and tobacco. In many of these articles Britain cannot compete. Indeed, the only articles in which Britain might be expected to compete are machinery, tools, and metal manufactures. We may note that a reduction in the importation from America may be looked for as the products of the great shale-oil field of New South Wales are put upon the colonial market in increasing quantity.

German trade with Australia is more directly competitive with that of Britain. The chief articles of German trade are apparel and textiles, glass and glassware, wire netting, metal manufactures, musical instruments, paper, chinaware, drugs, rubber goods, beer, calcium carbide, wire, machinery, stationery, arms and ammunition, iron and steel, pipes and tubes, brushware, cement, furniture, leather manufactures, and spirits. The preferential tariff may be expected to influence the situation in some of these things, and to turn the tide of trade in favour of Britain.

The chief exports of Britain to Australia of items the total trade of which exceeds £100,000 annually are: beer, apparel, textiles, arms and ammunition, books, brushware, earthenware, clocks and watches, cocoa and chocolate, confectionery, cordage, cutlery, fertilizers, medicines, chemicals, electrical materials, fancy goods, preserved fish, glass and glassware, rubber goods, scientific instruments, pig iron, bar and hoop iron, galvanized sheets, plain sheets, tubes, rails and fishplates, tin plates, netting, jewellery, leather goods, machinery, general metal goods, preserved milk, oils, paints and colours, paper, pickles and sauces, plated ware, spirits, stationery, tobacco, tools, vehicles, motors, cycles, ships, and yarn.

Tariff on Imports

The Customs Act of 1908 established the tariff which is at present operative on goods entering Australia. The primary object of the new tariff was to afford increased protection to Australian

industries. It does this effectively. It also provides for preferential duties upon certain goods which are the produce or manufacture of the United Kingdom. It may be stated frankly that the preference accorded to British goods is very slight. The protection to Australian manufactures against the competition of British manufactures is considerable; but the protection to British manufactures against foreign manufactures in the Australian market is very small indeed. While it is impossible to go into the Australian tariff in detail, we can see what the average duties and average preference in various classes of imports amount to.

First of all, there is a considerable free list, where no duties of any sort prevail. Upon such articles there is, of course, protection for neither the Australian nor the British producer and manufacturer. The free list includes mercerized cotton yarn, some kinds of cotton and other piece goods, most sacks, iron pigs, bars, and sheets, pipes and pipe fittings, much machinery, scientific and chemical apparatus, skins and hides, coal, tea in bulk, and many kinds of paper. The free list consists principally of raw materials used in Australian industries, and of goods of a kind that are not made in Australia. Then there are a good many articles for which there is no preferential tariff; that is to say, where the tariff upon goods from Britain is precisely the same as that upon similar goods coming from any other country. In this group we find tobacco (1s. 6d. to 3s. 6d. per lb.) and cigars (7s. 6d. per lb.), spirits (14s. per gal.), wine (3s. to 12s. per gal.), sugar (6s. per cwt.), packet tea (1d. per lb.), beer (1s. per gal.), dried fish (1d. per lb.), pickled fish (5s. per cwt.), rice (3s. 4d. to 6s. per 100 lb.), wheat (1s. 6d. per 100 lb.), flour (2s. 6d. per 100 lb.), coffee (3d. to 6d. per lb.), bacon (3d. per lb.), soaps (25 per cent), linen and jute yarns (10 per cent).

It must be admitted that nearly all of these are articles in which Britain is not a competitor, so that a preference would avail nothing. Then in general manufactures the preference is usually one of 5 per cent, so that if the general tariff is 5 per cent, the British article is duty-free; and if the general tariff is 30 per cent, the tariff upon the British article is 25 per cent. Upon foodstuffs of vegetable origin and salt the general duty is, on the average, 29 per cent, while the preferential duty is 21 per cent. Upon animal substances such as feathers, gelatine, glue, hair, and wool yarn, the average general rate is 14½ per cent, while the average preferential rate is 9½ per cent; in textiles the respective average rates are 29 per cent and 24 per cent. In oils, fats, and waxes the average general rate is 31 per cent, while the average preference

rate is 24 per cent; and in paints and varnishes the rates are 24 and 19 per cent respectively. The average general and preferential rates in other classes work out as follows:—

	Average General Duty.	Average Preferential Duty.
Stones and minerals ..	25 per cent	20 per cent.
Some machinery ...	5 "	Free.
Other machinery ...	18½ "	14½ per cent.
Leather and rubber goods	25½ "	20½ "
Wood and wicker work .	34½ "	29½ "
Earthenware and glass ..	23 "	18½ "
Paper and stationery .	26½ "	21½ "
Jewellery and fancy goods	28½ "	23 "

But although the tariff of 1908 established a preference for goods of the United Kingdom, the preferential duties under the new tariff are considerably higher than the general duties of the former tariff, with the new general tariff much higher still. Thus, while the preference may take a little from the pocket of the foreigner and put it into the pocket of the British manufacturer, it is likely to take a good deal more out of the pocket of the British manufacturer to put it into the pocket of the Australian manufacturer. (See also Chapter II of this Part.)

Preferential Tariff Conditions

The Australian Customs authorities must be satisfied that goods entered for preferential treatment under the British preference clause in the Customs Act are genuinely the product of the United Kingdom before they will allow them the benefit of the lower tariff. But such goods need not be of British production or manufacture throughout. It is enough if not less than 25 per cent of the cost of the article be represented in it by British labour; and the British labour may have entered into it at any stage in the process of its manufacture, either in the preliminary or finishing operations. The nature of the evidence of British manufacture demanded is not unduly rigid in its form. It must be satisfactory. The usual and most convenient form is a certificate from the manufacturers of the goods, and attached to or printed on the back of the invoice in the following terms:—

I (full name of person signing the certificate), the ("manufacturer" or "supplier" as the case may be) of the articles included in this invoice, have the means of knowing, and do hereby certify, that the said invoice from myself to (name of purchaser), and amounting to (total amount of invoice), is true and correct; and that all the articles included in the said invoice are *bona fide* the produce or manufacture of the United Kingdom,

and that a substantial portion of the labour of that country has entered into the production of every manufactured article included in the said invoice to the extent in each article of not less than one-fourth of the value of every such article in its present condition ready for export to the Commonwealth of Australia.

(Signed)

Witness

Dated at, this day of, 19...

It should be observed that this form must be witnessed, not necessarily by a notary or other official person, but by some person competent to attest as a witness in an ordinary business document. It is frequently impracticable that the manufacturers should sign such a document as, for instance, in a merchant consignment made up of a hundred different articles from about as many manufacturers. In such a case a certificate to the effect mentioned above, and under the seal of a British Chamber of Commerce or of any British Manufacturers' Association registered with the Board of Trade, is accepted as evidence. But the fact of the proof is more important than the form of the proof, and the officials charged with the enforcement of the Act are permitted a wide discretion in the acceptance of proof.

In the case of a postal package of goods not intended for sale, and of a value not exceeding £10, the form necessary is very simple indeed, and it should be signed in the presence of the postal officer who accepts the parcel for transmission. The wording of this certificate is as follows:—

The contents of this package are not merchandise for sale, and every article herein to the extent of at least one-fourth of its present value is *bona fide* the produce or manufacture of the United Kingdom.

Dated at, this day of, 19.....

..... Sender.

In the presence of Postal Officer.

Commercial Travellers

Commercial travellers visiting Australia find few onerous conditions affecting them as a class, but resident agents have certain taxes to pay. Duty upon samples of value must be paid or deposited upon entry, but is refunded upon leaving the Commonwealth within six months. There are also special regulations in the various colonies of the Commonwealth as follows:—

New South Wales.—Resident agents of British firms pay income tax of 6*d.* per £ on income in excess of £200. On the railways commercial

travellers with first-class tickets are allowed 2 cwt. of luggage, and 1½ cwt. if travelling second class. From Sydney to Adelaide, Melbourne, or Brisbane, 1½ cwt. is allowed. Commercial travellers who are holders of season tickets (for one, three, six, or twelve months) may compound for luggage excess charges on the railways.

Queensland.—No travelling regulations or licences. Resident agents of British firms must take out a business licence costing £2. On the railways there are reduced rates for season tickets held by commercial travellers, and the luggage allowance is 168 lb. first class, and 112 lb. second class.

South Australia.—No taxes, licences, or special regulations, and no concession in railway fares. Luggage allowance, 1½ cwt. first class and 1 cwt. second class; excess charged parcel rates on the outward journey, but free on the homeward journey.

Tasmania.—No regulations or licence. Resident agents of firms not domiciled in the colony must pay an importer's licence of £10 per annum. Commercial travellers holding first-class annual season tickets available from any station to any station are allowed 2 cwt. of luggage free, instead of the usual allowance of 112 lb. A charge of 6*d.* per 56 lb. or part thereof per 50 miles or part thereof is made upon excess weight, except on the Strahan-Zeehan line, where the excess charge is 1*s.* instead of 6*d.*

Victoria.—No special licence or regulations. The resident agents of British firms are liable for income tax in respect of their own salaries, bonuses, or commissions earned in Victoria, and as agents for their firms they are liable to assessment upon the income or profit earned by their firms in Victoria. No concession is made in respect of railway fares or luggage allowances, which are 1½ cwt. first class, 1 cwt. second class, with excess (minimum 28 lb. and maximum 12½ cwt.) at half parcel rates.

Western Australia.—By legislative Act of 1907 it was decreed that non-resident agents may not act as agents, and that non-resident traders, which includes commercial travellers, may not carry on business in the colony unless they hold a warrant signed by the commissioner. The warrant is issued free, but the commissioner may assess such warrant holders to income tax on the assumption that any specified transaction produced a profit of at least 5 per cent. A seller of spirituous liquors must have a spirit dealer's licence. No concession in railway fares, but luggage allowance. Excess parcel rates outward and free homeward.

The British weights, measures, and currency are used in Australia.

British Trade Representatives.—H.M. Trade Commissioner for Australia, Melbourne. Correspondents of the C.I. Branch, Board of Trade. For the Commonwealth, the Comptroller-General of Trade and Customs, Melbourne; for the States, correspondents at Sydney, Brisbane, Adelaide, Perth, and Hobart.

Colonial Trade Enquiry Offices.—These are established in Britain, either at separate offices or in conjunction with those of the Agents-General for the Commonwealth of Australia, or the respective States.

Papua

Papua, or British New Guinea, is a dependency of Australia. The island of New Guinea has an area of 300,000 sq. miles, and is frequently described as the largest island in the world. If Australia be reckoned an island, New Guinea takes second place. New Guinea is partitioned by Germany, Holland, and Britain. Papua has an area of 90,540 sq. miles, so that it is less than one-third of the whole island, and is about 2000 sq. miles larger than the area of the United Kingdom. The white population was 711 in 1908; the native population is estimated at between 400,000 and 500,000. The seat of Government is Port Moresby, and the other ports of entry are Samarai, Daru, and Bonagai.

The chief native industries are the manufacture of pottery, canoes, fishing nets, mats, shell ornaments, stone implements, and decorated gourds, and the growth and preparation of sago. Gold mining, bêche-de-mer and pearl-shell fisheries, and copra are industries that engage the attention of the white population. Extensive plantations of cocoanut palms exist, and tortoise shell in small quantities is collected. Rubber is a promising industry, and large areas are being planted. Gutta percha is obtained. There are consider-

able forest areas yielding a large variety of valuable timbers, and small quantities of ebony and sandalwood are exported. Sugar cane, sago palms, and cotton plants are also indigenous and of good quality.

The trade of Papua, both import and export, is entirely with Australia. The exports are of the value of over £80,000, and consist chiefly of gold, copper ore, bêche-de-mer, pearls, pearl and turtle shell, copra, sandalwood, rubber, and natural-history specimens. The value of imports is about £100,000, consisting chiefly of drapery and clothing, hardware, tobacco, alcoholic beverages, building material, and machinery.

The general rate of duty on goods entering Papua is 5 per cent of value. There is a long free list which includes iron pigs, sheets, bars, and corrugated sheets, machinery, drain pipes, nails, screws, fencing, wire netting, agricultural and mining implements, boilers and tanks, telegraph and telephone material, window glass, coal, salted beef and pork, corn, flour, and dried fish. Ten per cent is charged on twines and lines for fishing and other purposes, cotton and other fabrics, hardware and cutlery, stationery, pickles, sauces and pickled fish, and perfumed oils. Specific duties per ton are 10s. on cordage and rope and wire rope. Specific duties per cwt. are 9s. 4d. on candles, bacon, and ham; 18s. 8d. on butterine, coffee, and tea; 4s. 8d. on soap; 6d. on salt and rice; 2s. 4d. on sugar; 2s. on paper bags; specific duties per lb. are 1s. 6d. on raw tobacco; 3s. on manufactured tobacco; 4s. on cigars. Most oils are charged 6d. per gal.; turpentine, 1s.; and benzine, ½d.; beer, 6d. (bottles 1s. 6d. per doz.); spirits, 14s.; sparkling wines, 6s.; Australian wines, 2s.; other wines, 4s.

For commercial travellers visiting Papua there are no special taxes or regulations. Samples of value pay duty, which is refunded if goods are taken out of the country within two years.

BERMUDAS*

The islands in this group number over 300, but only 20 are inhabited. The total area is 19 sq. miles, of which one-quarter is under cultivation. The population is 18,000, 6400 being white. The chief town is the port of Hamilton, with a population of 2250. The only other port is St. George.

Bermuda is an important British naval station, and it has become a favourite winter resort for Americans, who are attracted by the climate and scenery.

There is regular steamship communication between Bermuda and New York, Halifax, N.S.,

and Jamaica. From Britain the usual route is via Halifax, N.S., or via New York.

Resources

The islands are devoted entirely to the growing of vegetables and fruit, arrowroot and bulbs, and while the exports of such produce do not exceed £120,000, the imports reach fully £400,000 per annum. The principal export is onions, the United States consuming practically the whole quantity, valued at over £60,000. Lily bulbs are shipped

to the value of about £10,000, almost all being sold to the United States, with the exception of a trifling quantity shipped to Britain. Potato exports total almost £30,000, practically all to the United States. Arrowroot exports have a comparatively small value, the United Kingdom taking virtually the whole.

Imports

Of the cotton goods imported by Bermuda, totaling almost £30,000 annually, the United States provides about four-fifths and United Kingdom only one-fifth in ready-made clothing. Commerce in Bermuda has suffered many variations. The United States does by far the largest trade alike in imports and exports with the colony, and the returns indicate that that country is fully maintaining its hold on the market. The proximity of the American continent and the intercourse occasioned by the presence of Americans give the United States a commanding position. There is little likelihood of Britain recovering

the preponderance; but as the market is small, the loss is trifling.

The general import duty on goods entering Bermuda is 10 per cent of value; but many foodstuffs and provisions pay only 5 per cent, while alcohols and tobacco pay special and higher duties. There is also a free list which includes machinery for use in the industrial development of the colony. Certificates of origin are not required for goods imported, but the origin must be stated on importers' entries.

Local Regulations

There are no special regulations affecting commercial travellers visiting the Bermudas. Samples of value must pay a 5-per-cent duty, which is refunded when the goods are exported again.

The currency and weights and measures are as in Britain, but there is no restriction as to the amount of silver coin that is legal tender.

British Trade Representative.—Correspondent of C.I. Branch, Board of Trade: the Colonial Secretary, Bermuda.

BRITISH BORNEO

British North Borneo

British North Borneo is a territory administered by the British North Borneo Company, incorporated by Royal Charter in November, 1881. The area of the territory is 31,100 sq. miles, or about half the size of England and Wales, and the population is 160,000, consisting of Malays, Filipinos, and various native tribes, with a few Chinese.

Shipping and Railways

The chief town and principal port is Sandakan, with a population of 10,000. The next largest town is Kudat, on the west coast. There is a regular service of steamers between Sandakan and Hong Kong, and frequent services also to the Philippine Islands. Singapore is also in communication with Sandakan by means of the vessels of the North German Lloyd Company. About 250,000 tons of shipping enter and clear in North Borneo ports annually.

There are 130 miles of railway in the territory, which is also in telegraphic communication with London and Hong Kong.

Resources and Trade

The country produces tobacco, timber, canes, rubber, gutta percha, cutch, camphor, copra, sago,

and various fruits, special attention being given to the development of cotton growing and rubber production. The exports amount to about half a million sterling yearly, and the imports to £350,000.

No information is available showing the destinations of the exports or the sources of the imports. The most important articles exported are tobacco, which stands at about £350,000 a year; timber, £50,000; dried and shell fish, £20,000; rattans, £20,000; cutch, £16,000; damar, £13,000; and rubber, £12,000. Of the imports, grain, including paddy rice and flour, figures at about £90,000; cloth, £50,000; provisions, £20,000; opium, £15,000; and sugar, £8000. During the first ten years of this century very little progress was made, either as regards exports or imports.

Local Regulations

The import duty on goods entering British North Borneo is generally 5 or 10 per cent of value, but a great many articles, such as beer and spirits, coffee, coal, fish, flour, and oils, are subject to specific duties. Certificates of origin are not required in respect of imports, but the country of origin must be stated on the bills of entry and invoices, or a true copy thereof must be produced. There are no special regulations affecting commercial travellers or resident agents of outside firms.

The weights, measures, and currency of the Straits Settlements are legal in North Borneo (see "Straits Settlements").

British Trade Representative.—Correspondent of the C.I. Branch, Board of Trade: The Superintendent of Customs, Sandakan.

Sarawak

Sarawak, a territory on the north-west coast of Borneo, is a protectorate of Britain. It has an area of 42,000 sq. miles, or about two-thirds that of England and Wales, and an estimated population of half a million. The chief town, Kuching, with 25,000 inhabitants, is situated 23 miles inland on the river Sarawak, and there is communication thence with Singapore about once a week by the steamers of the Sarawak and Singapore Steamship Company. 100,000 tons of shipping enter and clear from Sarawak annually.

Resources

Coal-mining is prosecuted on a small scale in the Sarawak protectorate, and there are also gold workings in the island. Apart from these industries, the growing of sago and pepper and the culti-

vation of rubber provides employment for the bulk of the inhabitants. The value of the exports is about £800,000 per annum, and of the imports about £600,000. Pepper is the most important article shipped, the yearly value reaching nearly £300,000. Gold shipments are worth between £150,000 and £200,000; sago and rattans, about £80,000 each. Rubber, gutta percha, cutch, and damar are the other items in the list of exports.

Imports

Of the £600,000 worth of imports, rice accounts for one-fifth and cotton goods for one-seventh. Then come tobacco, opium, machinery, and iron. The oversea commerce of Sarawak is not expanding, the tendency being rather towards a contraction of exporting as well as importing business. Nearly all the trade of the protectorate is carried on with British possessions, such as Singapore, Hong Kong, Labuan, and British North Borneo, commercial relations with foreign countries being slight.

Specific import duties are levied on beer, spirits, and liquors, firearms, tobacco, salt, and kerosene, and there is a long list of export duties. The weights, measures, and currency of the Straits Settlements are legal in Sarawak.

BRITISH GUIANA

British Guiana is a Crown Colony on the northern coast of South America. It has an area of 90,277 sq. miles, which means that it is a little less than twice as large as England. The entire population is about 300,000, of whom more than one-third are negroes and more than one-third East Indians, who work on the sugar plantations. The white inhabitants are chiefly Portuguese from Madeira, of whom there are over 12,000, and the whites of other nationalities number under 5000. The capital and chief port is Georgetown, which has a population of 53,000, and the second port and town is New Amsterdam. These towns are the only commercial centres of even moderate importance.

From the particulars given it will be seen that the colony of British Guiana is of large area, with a sparse population containing only a handful of Europeans. The settled part of the colony extends along the seashore from the west bank of the River Essequibo to the east bank of the River Correntyne, and for about 200 miles up the Demerara and Berbice rivers. River navigation in the interior is obstructed by rapids. Away from this settled portion only water communication is available so that transport is unsatisfactory.

Shipping and Railways

British Guiana is reached by fortnightly steamers from Barbados, which is accessible from Britain by the fortnightly sailings of the Royal Mail Steam Packet Company from Southampton under contract with the Imperial Government. Communication with the United Kingdom is also provided by the following lines of steamers:—The Direct Line, fortnightly from London and every three weeks from Glasgow; the Liverpool Line, tri-weekly from Liverpool during September to March and monthly from April to August; the East Asiatic Line, monthly from Copenhagen, calling at London and other ports. The journey takes about fourteen days. Tramp freight steamers, which frequently sail from London, take eighteen or twenty days. Also the boats of the Compagnie Générale Transatlantique call monthly on their way from Havre, St. Nazaire, and Bordeaux to Cayenne, and the Dutch mail calls on its way to Surinam. Every fourth week one of the Canadian line of steamers calls at Georgetown.

British Guiana is served from New York by the Armstrong Line (monthly), the Brazilian Steam-

ship Company, the Quebec Steamship Company (fortnightly), and the Royal Dutch West India Mail. Pickford & Black's Canadian Line of steamers sail from Halifax to Demerara and other ports every twelve days.

There are three short railways, one connecting Georgetown and Berbice (60 miles), another from Vreedenhooop to Greenwich Park (15 miles), and a third that joins the navigation of the Essequibo and Demerara rivers (19 miles).

Resources

Although the soil is fertile, it is heavy and hard to cultivate. Only 1 per cent of the arable soil is cultivated—80,000 acres in all—and of this quantity seven-eighths is under sugar cane. Of minor importance are coffee and cocoa. The chief industrial mainstay is the growing and refining of sugar and the distillation of rum. The sugar exported is of the annual value of over £1,000,000, and the rum of the annual value of nearly £200,000. Most of the sugar factories are fitted with improved machinery, and few now make muscovado, or common sugar. Minor products of the sugar industry are molascuit (a cattle food) and molasses. The value of these exported annually are about £20,000 and £7000 respectively. The country is rich in alluvial gold, which is exported to the value of about £250,000 per annum. Balata gum is an important product of the forests, and has been exported to the value of about £90,000. Timber, with an average export value of about £20,000, is an important resource of the colony. Rubber cultivation is extending. Rice is exported to the annual value of about £50,000. Canada has taken increasing quantities of the exports of British Guiana, and now purchases 50 per cent of the total. Britain takes about 36 per cent, and foreign countries only about 6 per cent. Britain's purchases are principally of sugar, rum, balata, and cattle food, with a small quantity of hardwood.

Imports

The value of the imports of British Guiana is about £1,700,000. The country is non-manufacturing, except for sugar, and the imports are therefore chiefly general articles of food and clothing. The principal imports are as follows: flour, cotton, linen, and woollen cloth and clothing, manures, machinery, oils, haberdashery and millinery, dried fish, lumber, pork, coal and fuel, boots and shoes, oats, tobacco, beer, potatoes, butter, and hardware. Britain supplies nearly all the textiles and clothing, two-thirds of the beer, hardware, and man-

ures, and half the machinery and of the boots and shoes. The United States is the chief competitor of Britain for the import trade of British Guiana, the two countries holding seven-eighths of the whole. Flour from Canada, and dried fish from Canada and Newfoundland, account for about two-thirds of the remainder, so that what falls to foreign countries other than the United States is not large. Considering the fact that so much of the imports of British Guiana consists of food-stuffs, Britain's share of over 50 per cent of the entire value is highly satisfactory, and gives evidence of a strong hold of a distant market, notwithstanding the advantage of position enjoyed by the United States.

Customs Duties

The general rate of duty on imports entering British Guiana is $12\frac{1}{2}$ per cent of the value of the goods. The duty-free list is small, and includes fire hose, telegraph materials, most classes of machinery, boiler plates, and constructional material for barges and steamers, materials in use for railways and for municipalities. Samples of dutiable goods not subject to $12\frac{1}{2}$ per cent are as follows: hoop iron, $7\frac{1}{2}$ per cent; black iron and chains, 1s. 8d. per cwt.; galvanized iron, 2s. 1d. per cwt.; nails, 1s. 2d. per cwt.; bricks, 8s. 4d. per 1000; tiles, 12s. 6d. per 1000; cordage, 4s. 2d. per cwt.; twine, 9s. 4d. per cwt.; crude petroleum, $\frac{1}{2}$ d. per gallon; refined petroleum, $6\frac{1}{4}$ d. per gallon; coal, 2s. 1d. per ton; bacon and ham, 9s. 4d. per cwt.; salted beef and pork, 8s. 4d. per 200 lb.; butter, 8s. 4d. or 25s. per cwt.; corn, 1s. 2d. per cwt.; flour, 4s. 2d. per cwt.; sugar, 1s. 8d. per 100 lb.; tea, 8d. per lb.; beer, 8d. per gallon; spirits, 14s. 7d. or 18s. 9d. per gallon; and wine, 2s. $3\frac{1}{2}$ d. to 6s. 3d. per gallon.

Certificates of origin are not required for goods imported into British Guiana, except for sugar.

Local Regulations

For commercial travellers visiting British Guiana no licence is necessary, and there are no special regulations. Upon samples of value a deposit may be made, and this deposit is refunded upon exportation.

The weights and measures are those used in Britain. The currency is the gold dollar of 100 cents. One dollar is worth 4s. 2d., and a British sovereign is worth 4'80 dollars.

British Trade Representative.—Correspondent of the C.I. Branch, Board of Trade: the Comptroller of Customs, Georgetown.

BRITISH HONDURAS

British Honduras is a Crown Colony in Central America, bordering on the Caribbean Sea, and delimited on its landward side by Yucatan and Guatemala. Its area is 7560 sq. miles, so that it is just about 100 sq. miles larger than Wales. Its population is only about 42,000, and includes whites, Indians, Caribs, Negroes, East Indians, and Chinese; only 1 per cent is European.

The only town of importance is Belize, the capital, which has a population of 16,000. The next largest place, Stann Creek, is only a village of 2600 inhabitants, and no other settlement has a population of 2000. Belize is the port of the colony, but the harbour has been gradually filling up, and vessels must now anchor a mile from the town.

Shipping

British Honduras is 5700 miles from London, and the boats of the Royal Mail Steam Packet Company leave Southampton every alternate Wednesday and proceed via some of the West Indian islands, where transshipment is necessary. The journey occupies sixteen days. The services between the United States and Central America also serve British Honduras (see "Central America" in Chapter VII of this Part).

Resources

The exports of British Honduras aggregate just under half a million sterling annually. Almost the only exports of British Honduras to Britain are logwood and mahogany. The value of these imported by Britain during recent years has been about £30,000 and £100,000 respectively.

The industries of the colony centre mainly in its forests. Cattle raising has some attention, and coffee plantations, though small in their total acreage, have been increasing very much. The rubber output also has improved materially; but sugar-growing thrives badly and makes no progress. Fruit-growing—principally bananas, plantains, and cocoanuts—is being prosecuted in order to compensate, if possible, for the decline in the supply of the timber due to the thinning of the forests by generations of cutting. Indian corn, the staple food of the Indian and Spanish population, covers the larger portion of the land under cultivation, although it accounts for only about 7000 acres. More attention is now being paid to the cultivation of cocoa, cocoanuts, and coffee. Indian rubber grows wild, and the value exported is steadily increasing. Tobacco flourishes, and

some attention is being paid to its commercial cultivation. The chief industry, however, is still the cutting and export of hard timber and dye woods and fancy woods, such as cedar, rosewood, and satinwood. A remarkable feature of the climate and the soil is that nearly all tropical products of commercial utility can be grown in the same zone. Thus there may be seen maize, rice, bananas, pineapples, oranges, coffee, cocoa, cotton, cassava, rubber, and cocoanuts flourishing on the same piece of land. There are also many fibre-producing plants, particularly henequen and silk grass, and a wide extent of land is suitable for cattle and mule breeding.

The exports of logwood and mahogany have, owing to the want of proper communication and to the thinning of the accessible forests, tended to decline in recent years. The country possesses, nevertheless, potentially valuable agricultural resources, and awaits only good roads and railways to lead it to great developments. The government exacts an export duty of $\frac{1}{2}$ d. per ton from logwood, and a duty of 3s. 1d. per 1000 superficial feet from mahogany exported.

Imports

The annual value of the entire imports of British Honduras is about £500,000, which represents an increase of 100 per cent over the first year of the century. The increase has been steadily progressive during the intervening years. It is due to no transient cause, but is the direct result of economic and industrial progress in the small colony. Britain's share comes to about 25 per cent of the modest total. The chief purchases of British Honduras from Britain are cotton and other piece goods, condensed milk, wearing apparel, soap, metals, and machinery. The United States is the chief customer of British Honduras.

The Customs duties of British Honduras are low, being for revenue only. The general rate is 10 per cent *ad valorem*, but a good many articles not made in the country and required by domestic industries are admitted free. Articles on the free list include machine belting, agricultural, electrical, marine, mining, and manufacturing machinery, bridge material, railway plant, cast-iron work, boilers, steam pipes, pumps, tanks, bricks, drain pipes, telegraph material, coal, salt (other than table salt), dried or salted fish. A few articles, such as sugar and tea, are subject to small specific duties, and wines and spirits to higher duties.

The Governor is empowered to allow the free importation of any raw material intended for use in any manufacture in which the produce of the colony is used. Certificates of origin are not required for goods imported into British Honduras, but the country of origin must be stated on the import entries.

Local Regulations

The commercial traveller who visits British Honduras must provide himself with a licence, which costs \$10 gold (£2, 1s. 8d.). Upon samples

of value duty must be deposited or guaranteed, and the deposit is refunded, or the guarantee cancelled, on exportation.

The weights and measures of British Honduras are those of the British Imperial system. The standard of currency is the gold dollar, which is worth 4s. 1½d. (£1 equals 4·86 dollars). The dollar is divided into 100 cents. Before 1894 the Guatemalan silver dollar was the standard, but it has now been superseded.

British Trade Representative.—Correspondent of the C.I. Branch, Board of Trade: the Colonial Secretary, Belize.

BRITISH SOUTH AFRICA

British South Africa comprises the colonies of Cape of Good Hope, Natal, Orange Free State, Transvaal, now joined together as the Union of South Africa, and Southern Rhodesia, with the Protectorates of Basutoland, Bechuanaland, and Swaziland. The territory covers the entire area south of the Zambesi, except the colonies of German South-West Africa on the west coast and Portuguese East Africa on the east coast. The total area is 914,358 sq. miles, or 7½ times the area of the United Kingdom.

The customs duties throughout the territory are uniform, except some differences applying to imports into Rhodesia, to which reference is made later on. Thus the entire territory may be considered as one importing market.

The population of British South Africa is estimated at about 6,500,000, of which 1,125,000 only are white. Thus in South Africa we have one-third of a continent with a white population only one-fifth that of Greater London, and with an entire population, white and coloured, only about equal to that of Greater London. A comparison such as this shows emphatically how thinly settled the group of British colonies is, and of how much development the great area is capable. The most populous part of South Africa is the Cape of Good Hope, the oldest of the original colonies, where nearly half the entire population may be found; and the most sparsely settled portion is Southern Rhodesia, where, in an area of about 150,000 sq. miles, the white population is only 14,000.

Towns and Trading Centres

The only really large town is Johannesburg, the centre of the Witwatersrand gold-mining industry, where the population numbers about 180,000, including about 95,000 whites. The other chief business towns are Cape Town (92,000), Durban

(70,000), Port Elizabeth (33,000), East London (26,000), Pretoria (21,000), Pietermaritzburg (32,000), Bloemfontein (34,000), Grahamstown (14,000), King William's Town (10,000), Kimberley (35,000), Bulawayo (3500), and Salisbury (1700).

The centres of the import trade are the ports of Cape Town, Port Elizabeth, East London, and Durban. Each of these ports may be said to have its sphere of influence. Cape Town is the port of entry for shipments for the Cape of Good Hope generally; but for the northern parts of that colony, the commercial centre of which is Kimberley, Port Elizabeth and East London are the natural points of entry, being about equidistant from Kimberley and much nearer than Cape Town. These two ports also feed the Orange Free State, of which Bloemfontein is the political and commercial capital, and to a small extent the great importing market of Johannesburg and the rest of the Transvaal. The port of Durban has at its back the colony of Natal, for which it is the natural port of entry, as well as for the south-eastern portion of the Transvaal. Durban tries to be the port of entry for the Johannesburg and Pretoria markets, and it is a grief to her that Delagoa Bay, in Portuguese East Africa, is geographically nearer to the Rand, and is claiming ever a higher proportion of the through traffic. The Portuguese port is developing under British patronage, and is the natural gateway for the heart of the Transvaal, to which it affords access by a direct railway. The Portuguese authorities work in harmony with the South African Customs Union, to the benefit of both sides. Mossel Bay is yet another port of the Cape of Good Hope. It lies between Cape Town and Port Elizabeth, being much nearer the former; but as it can offer no railway to convey shipments inland, it forms, as it were, a cul-de-sac, and is of purely local service.

The ports of Port Elizabeth in the Cape of Good Hope and Beira in Portuguese East Africa serve the colony of Rhodesia. The two commercial points in Rhodesia are Bulawayo and Salisbury, which are of about equal importance, the advantage probably lying with the former, which is the portal of the North and leads to Victoria Falls and beyond. Port Elizabeth feeds Bulawayo, and Beira feeds Salisbury. The position is rather anomalous, because Bulawayo is nearer Beira than Port Elizabeth by something like 600 miles. But the key to the situation is in the hands of the railway companies, who control matters for other ends than those of natural economics. The freight rates are arranged to make railway haulage from Beira to Bulawayo higher than from Port Elizabeth to the same town, although the distance is only about one-half. If the Bulawayo trade were shut out from the railway running north from Kimberley, that railway would be grass-grown and rusty.

Steamship Service

The quickest and most direct route from Great Britain to South Africa is by the weekly service of mail steamers of the Union-Castle Line, which leave Southampton every Saturday and reach Cape Town in sixteen days, thereafter calling at Algoa Bay (Port Elizabeth), East London, and Port Natal (Durban). The intermediate steamers of the same company leave London every Friday and Southampton every Saturday, taking about five days longer to reach Cape Town, and afterwards calling at Port Elizabeth, East London, and Natal, where connection can be made to Delagoa Bay, Beira, and Mauritius. Other lines plying regularly and direct to South Africa are the Bucknall Line, the Natal Line, and the Aberdeen Line. Some Australian and New Zealand lines make Cape Town a port of call—the Australian fleet of the Aberdeen Line, the Federal Houlder-Shire Lines, the New Zealand Shipping Company's Line, and the White Star Line.

South African ports have steamer service with New York by the American and African Steamship Company (also from New Orleans); the Barber Line; the Bucknall Line; Funch, Edye & Co.'s Line; the Peabody Line; the Union Clan Line.

Resources

British South Africa is an immense territory stretching through seventeen degrees of latitude, and some of the plateau lands are over 6000 feet high. Thus, any consideration of the resources of the country as a whole would have too wide a field in which to range. For this reason we

shall consider the resources of the country under the different political divisions.

Cape of Good Hope

The foundation of the wealth of the Cape of Good Hope lies in its agriculture and stock-raising. This colony has a longer history than any of the others, is better populated, and is farther on the road to development. The chief cereal crops are wheat, oats, barley, mealies, Kafir corn, rye, and oat hay. But fruit growing and wine production are assuming importance. The animal products are chiefly wool, mohair, ostrich feathers, and butter. The principal varieties of stock raised, in the order of their numerical importance, are sheep, goats, cattle, horses and mules, pigs and ostriches. The country suffers because many of the streams run dry in the summer heat, and water is the great want of the Karroo, as the high veldt country is called. But schemes of irrigation and the sinking of wells to be operated by windmills have raised the value of land in many parts to twenty times its former worth, transforming dry deserts into smiling fields. There is still much to be done before the utmost has been got from the land, but under the hard labour of a thrifty and industrious farming class, progress is steady and material. The great diamond mines of Kimberley are in the Cape of Good Hope, and the output has been, and continues to be, very great, notwithstanding a severe depression in the diamond trade and the competing output of the fabulously wealthy Premier mine in the Transvaal. The value of the Kimberley output is about £10,000,000 annually. Copper, gold, and coal are also mined in Cape Colony. The average output of Cape copper is about 80,000 tons of ore annually, and that of coal approaches 200,000 tons per annum. The gold output is small. There are a few manufactories in the colony, but the prevailing high wages and the low tariff prevent a general policy of manufacturing enterprise. The manufactories include flour mills, breweries, tobacco factories, tanneries, sawmills, and coach works.

Natal

Natal is often called "the Garden of South Africa". She lacks the wide stretches of flat veldt land possessed by her sister colony to the west, but she has not the disadvantage of scarcity of water. The colony is a comparatively narrow strip, rising from the seacoast to the high Drakensberg Mountains, and consists of well-watered terraced land. The crops are of a sub-tropical nature. The chief cereal crops are maize and Kafir corn, but cane sugar and tea are staple

industries of increasing importance, and the cultivation of wattle, the bark of which is a valuable tanning agent, is a paying form of agriculture much favoured by Natal. Around the city of Durban there are many market gardens, chiefly in the hands of British Indians, whose activities and thrift are causing them to oust white enterprise from agricultural and commercial pursuits to which they apply themselves. Cotton has been introduced into the colony, but has not reached important proportions. Many fruits grow profusely in Natal, and the abundance of one fruit has earned for the colonist of Natal the nickname of "banana skin". About 5000 acres are under tobacco, which is consumed locally. The wool industry is making considerable headway, and the exports of wool are of fair proportions.

The coal mined in the north of Natal is of good quality, and the production has assumed considerable volume, the output finding its way more and more beyond the boundaries of the colony. Durban has developed into a coaling port of some importance. Many other minerals are known to exist, but none has yet been exploited to any extent. Attention is being paid to copper deposits of supposed value, but the industry of copper-mining cannot yet be said to be established. Efforts to work gold have met with only meagre success.

The manufacturing industries of Natal are inconsiderable. Sugar has been mentioned, and it finds its way into the other South African Colonies, as will be noticed hereafter. Wagon building is also of some importance, and there is a little ironworking.

Orange Free State

In the Orange Free State more than in any other colony of the sub-continent, the Government, through its Department of Agriculture, affords practical assistance to farming upon scientific principles. There are several experimental farms and forest stations with regular lectures by specialists, the scope of the activities of the department including farm work, forestry, horticulture, dairy farming, and the care of stock. The country is suited for stock-rearing more than for field farming; but cereals—maize, wheat, oats, barley—are produced, as well as vegetables and fruits, which find their way north into the Transvaal. Tobacco is also cultivated. Stock-raising and sheep-farming are extensive, and the exports from these industries consist of wool, hides, cattle, and dairy produce. Rinderpest and drought sometimes upset the calculations and destroy the hopes of the farmers; but the former is much less frequent than it was,

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and artificial measures are mitigating the evils of the latter.

Coal is worked extensively in the north of the colony, and the famous Jagersfontein mine yields the purest diamonds found in South Africa, although the output has an annual value only one-tenth that of Kimberley.

Manufactures are practically non-existent. A few years ago a Commission, after considering the whole question and taking expert evidence, recommended a system of bounties for the establishment and prosecution of certain industrial enterprises, such as the manufacture of cement, woollen cloth, jams, and earthenware, but effect was not given to these recommendations. Still, the sense of popular opinion is towards reasonable public encouragement of enterprises for the good of the community.

Transvaal

The land of the Transvaal is much better fitted for stock-rearing than it is for tillage, although there are some portions of it well suited for growing cereal and other crops. It is a wide area, more than twice as large as the Orange Free State, but not so well developed, partly because of the natural drawbacks, and partly because of the greater attractions of the Rand gold mines as a means of winning wealth. The colony does not grow nearly enough for its own needs. The prices for produce are high, but labour is expensive, and the loss by hailstorms and locusts is said to average 20 per cent of the crops. Tillage is chiefly for forage, but the tobacco crop is important. The chief stock on Transvaal farms consists, in the order of numerical importance, of sheep, cattle, pigs, and horses.

The gold-mining of the Witwatersrand district overshadows every other industry, and here within a small area is the chief gold-producing district in the world, which yields about five times the value of the precious metal recovered by either Australia or the United States, the two other great gold countries. The output of coal is also increasing, and, although of rather poor quality, it finds a good local market.

The Pretoria district has taken its place as a great diamond district, due to the presence of the Premier mine, which yields stones of a size and quantity unequalled in any known diamond field in the world. Mine shafts are also penetrating the copper, tin, and lead deposits of the colony, which is abundantly endowed with almost every known mineral.

The development of the colony must lie in its mines for many years to come, and it will be a

long time before agriculture rises to the ability to meet domestic requirements. There are scarcely any manufacturing industries in the colony, if we except some local ironfounding, a little cement-making, brewing, and mineral-water manufacture. There is room for enterprises in manufacturing ventures, because the local consumption is good, and the supply markets are far distant, demanding heavy charges for transhipment by sea and rail.

Rhodesia

Southern Rhodesia is a vast land, of which the possibilities have been barely tapped. The best parts for Europeans are those with an altitude of 4000 ft. and over, and these cover an area of about 26,000 sq. miles. The country is a great pasture land. The local market is very small at present, and any export market is far away, so that farming, in the sense of cereal cultivation, would not be profitable. The agricultural possibilities of the near future lie rather with tobacco and cotton, and great efforts are being made to develop these branches of agricultural industry. Some fruits can be grown with profit—such as oranges, lemons, and apricots—but the advent of the rainy season before the full ripening of most fruits would render them unfit for the export market.

Stock-raising in Southern Rhodesia has proved a hazardous undertaking. Seemingly successful for a time, it has more than once been almost wiped out by the disease known as redwater, which, however, has been less virulent than formerly for many years. There is little stock except cattle, which are used for draught purposes. As a sporting ground the colony offers great attractions.

The chief wealth of Rhodesia lies in its gold deposits, and these, though far from having the richness of the Rand, have made continuous progress in output since the close of the South African War. The coalfields of Wankie have given Rhodesia a valuable economic asset, and have cheapened considerably the cost of gold-mining, which formerly depended on timber fuel. But an asset, potentially much more valuable, is the Zambesi Falls at Victoria, whose power, transformed by the dynamo, is being conveyed to the Rand to drive the machinery of the gold mines.

North-Eastern and North-Western Rhodesia are not colonies of the immediate future. The laying of the railway north from Victoria Falls through the rich zinc and copper deposits of North-Eastern Rhodesia is drawing that future nearer, but the plough must make many more furrows in Southern Rhodesia before the other Ridings of the Chartered Company attract settlers and residents.

The Railway Policy

The railways of South Africa are owned by Government, and they are used as an instrument to encourage domestic industry. There are differential railway rates in favour of South African produce. The adoption of these differential railway rates was a concession to the farming interest, and by their agency farmers are able to find a market for their produce out of the immediate district where their farms are situated. Naturally, the differential railway rates favouring South African produce do not affect the consumption of local South African produce at the ports. But where there is railway haulage, South African produce benefits as that haulage increases. The most pronounced effect of these rates is seen in the case of Natal sugar, which is made in the vicinity of Durban. But practically no South African sugar is consumed in Durban or its neighbourhood, because imported sugar, even with the import duty added, can compete successfully with domestic production. Up country and in the other colonies Natal sugar is sold, because the railway freight enhances the price of imported sugar more than of South African sugar, which is favoured by the differentiation. Natal sugar is sent by sea to Cape ports and inland from there, the lower freight from the subsequent railway haulage more than counterbalancing the higher price of the sugar and the cost of sea transport. Other natural products and manufactured articles are also favoured by the South African railway freights.

The policy of favourable treatment for South African produce may be politically expedient, but economically it is wasteful. A far sounder policy would be to raise the duty and lower the railway rates all round. At present Durban eats imported sugar and sends her own sugar to other places. Certain money is wasted on the conveyance of that sugar to the points of consumption. If Natal ate her own sugar, that money would be saved to the community. Being economically unsound, the differential railway freights are bound to be discarded sooner or later, although their adoption may be justified in the present state of South African industrial development.

South African Exports

Our glance at the resources of South Africa has considered the various colonies *seriatim*, but in regarding South Africa as an exporting community we may look at the country as a whole. From this point of view minerals far outweigh in value all other commodities, representing six-sevenths of the total exports. If we spread out a map of

South Africa and mark on it the mineral areas that are worked, we find that they are relatively insignificant in comparison with the entire area. It must be remembered that of the minerals recovered practically all is exported. Of food products cultivated or raised, practically all is consumed within the country. Thus the export point of view gives a false perspective of the relative importance of the two groups.

The great mineral is gold, and the value of the gold exported has risen to over £30,000,000 annually, and gives no sign of abating its increase. It represents three-fifths of the entire export value. The fact is the more remarkable when we consider that gold is practically non-existent in the Cape, Natal, and the Orange Free State. The diamonds of South Africa are likewise localized in a few points. With a large map before us, we can put one finger upon Kimberley, another on Pretoria, and yet another on Jagersfontein in the Orange Free State. Our three finger tips will cover the ground from which diamonds are procured. Yet the value of diamonds exported is about one-fifth of the entire export value. The other minerals are copper, coal, and tin. The annual value of Cape copper shipped is about £700,000. Coal is a little less, but it is exported chiefly for bunker use and not as cargo. Then tin has been making important advances in recent years, and promises to be a permanent product of the Transvaal and Swaziland.

Apart from minerals, the chief exports of South Africa consist of wool and hair, hides and skins. The annual value of sheep's wool exported, chiefly in the grease, is well over £3,000,000; and the value of hides and skins exported approaches a million sterling, half being for sheepskins, and the remainder for ox and cow hides and for goatskins. Angora hair also approaches the million mark. Ostrich feathers represent a value of nearly £2,000,000 in the annual export bill; but the ostrich-feather trade is the sport of fashion, and it experiences lean years alternating with prosperity. Of cereal products a little maize is exported, but the quantity is small, and bark, chiefly wattle bark from Natal, represents a value of about £150,000 annually.

Other products which may have reached us from South Africa must be regarded as experimental and exhibition shipments rather than in the light of regular trade. We may visit a South African exhibition, and, from the display of fruits and herbs, wines and brandies, we may imagine, unless we know our South Africa, that the sub-continent holds stores of these things awaiting the orders of the mother land. But if we were to try to purchase a hundred barrels of these inviting

apples, or fifty boxes of these luscious plums, we should probably find that the quantity for which we ask is not in the market. These things are show exhibits, intended to teach the possibilities of the country to possible settlers. The time may come when these fruits and wines will be staple stock of the London stores, but for many years there will be little if any surplus from the domestic demands. There is reason why ultimately the fruits of the Southern Hemisphere should find a market at good prices in Britain. Autumn in South Africa is springtime in Britain, and South African fruits are available when fruits grown in the Northern Hemisphere are out of season.

About 93 per cent of South Africa's exports come to Britain, and only about 4 per cent of their value reaches foreign countries. Germany takes more than half of the total to foreign countries. It may be that the trade agreement between Australia and South Africa will result in an expansion of trade relations between the two great colonies.

Government exercises paternal care over certain of the industries of South Africa, and seeks to take what steps it can to prevent the rise of competition in other countries. The export of ostriches, ostrich eggs, and Angora rams and ewes is prohibited. In North-Eastern Rhodesia an export duty of 4*d.* per lb. is charged upon wild rubber, and of 9*d.* per lb. upon ivory. Apart from these, the only export duties in South Africa are those of $\frac{1}{2}$ per cent *ad valorem* upon diamonds from Cape Colony, and of 1 per cent *ad valorem* upon diamonds from the Transvaal.

Imports into South Africa

When we turn from the export trade of South Africa to her import trade, we find that the colonies are not so exclusively an imperial preserve. About 27 per cent of the import trade comes from foreign sources. The proportion of non-British trade must inevitably be large, for South Africa must purchase large quantities of provisions, such as bacon, butter, and tinned meats, of cereals and their products, such as wheat, flour, and rice, and of timber. We cannot offer these, and our colonies can do so only to a small extent. But, apart from foodstuffs, there are many classes of merchandise that have fallen to the net of the foreign manufacturer. Agricultural implements, which form an important department of the import trade, come from America to a very great extent, and so do furniture, much hardware and tools, and a fair quantity of machinery. Belgian and German cement, Belgian, German, and Austrian glass and earthenware, Belgian tramway materials and iron rods and sections, German

sewing machines—these are samples of departments where Britain has lost her preponderance.

Trade in South Africa is keenly contested. The inevitable bad time through which the country passed immediately after the war made the contest more keen. A quarter of a million of soldiers were suddenly withdrawn from the country, and the expenditure that had maintained them there suddenly ceased. The Boer farmers returned from their prison camps to windowless, floorless farm-houses, to stockyards with no stock, to implement sheds with no farm implements. These things had to be provided and paid for with profits still to be made. Credit was strained. New troubles began. The process of absorbing what was beyond the weakened ability of the country's digestive powers has taken time, and has been accompanied by disorders. That South African troubles have not been far more acute during the years since the war is a circumstance due to the fundamental stability and industry of the farming classes.

An enterprising agricultural class is needed to engage in dairying, grazing, tea, coffee, sugar, and cotton planting, and horticulture. Of skilled labourers, it is said, the engineer is most required.

The Customs Union

Prior to 1906 the various colonies and protectorates in South Africa had independent Customs regulations and independent Customs tariffs. But in 1906 the South African Customs Union came into being, and the mutual Customs agreement became operative on May 1 of that year. The convention under which it was formed made one fiscal entity of the Cape, Natal, the Orange Free State, the Transvaal, and Southern Rhodesia. At the same time provision was made for the admission of Basutoland, the Bechuanaland Protectorate, Swaziland, and Barotseland or North-Western Rhodesia. A uniform tariff now prevails throughout British South Africa, and it is possible to consider the entire territory as one importing market, although, naturally, the requirements of different parts of it demand different classes of goods.

South Africa is one of the four great colonial markets that have adopted a scheme of preferential Customs duties for British products and manufactures. The British preferential tariff of the South African Customs Union extends to goods the produce or manufacture of Britain, Canada, the Australian Commonwealth, and New Zealand. The amount of rebate secured to such goods under the preference tariff is either 3 per cent of the value of the goods or approximately equal to that amount. When goods are subject to *ad valorem* duties, the preferential rebate is 3 per cent of the value of the

goods; when the duties are "mixed", that is to say, where the same articles are subject to both a specific duty and an *ad valorem* duty, the rebate is the same, namely, 3 per cent of the value of the goods; and where the duty is only specific in its incidence the rebate varies, but is generally approximately equal to 3 per cent of value. Many articles on the South African Customs Schedule carry a duty of 3 per cent *ad valorem*; this means that the duty at the rate specified is paid if the goods are the produce or manufacture of countries other than those mentioned above, but that if they are the produce or manufacture of Britain, Canada, New Zealand, or Australia, they enter South Africa free from duty. The common rate of duty upon fully manufactured articles is 15 per cent, which is the non-preference duty; the preference duty upon such goods is 12 per cent. The customs Schedule is long and the duties varied, but the following will serve as samples:—

	General Tariff	Preferential Tariff
Silk and cotton thread	15 per cent.	12 per cent.
Blankets and rugs	15 "	12 "
Apparel	15 "	12 "
Iron pigs, bars, and sheets	3 "	Free.
Wire rope	3 "	"
Machinery	3 "	"
Harness and saddlery	25 "	22 per cent.
Mineral oil	1d. per gal.	1d. per gal.
Candles	5s. per 100 lb.	4s. 2d. per 100 lb.
Bacon	11s. 8d. per cwt.	9s. 4d. per cwt.
Butter	21s.	18s. 8d.
Wheat	1s. 2d. per 100 lb.	1s. per 100 lb.
Flour	2s. 4d. "	2s. "
Beer	2s. per gal.	1s. 10d. per gal.
Spirits	19s. "	19s. "
Tobacco manufactured	4s. per lb	4s. per lb.

(See also Chapter II of this Part.)

South Africa, like India, places additional taxes on sugar of which the growth or manufacture is encouraged by bounties in its country of origin. The sugar-producing countries whose product comes under such special taxation in South Africa are Australia, Denmark, Spain, Japan, the Argentine Republic, Rumania, Russia, Chile, and Nicaragua.

The Transvaal, by the terms of the Convention of 1906, admits free of duty all articles, except spirits, which are the growth, produce, or manufacture of the Portuguese province of Mozambique. Goods made in any prison or penitentiary are prohibited from entering any part of the territory of the South African Customs Union, and the importation of opium is permitted only for medicinal purposes.

To enjoy the preferential treatment, an invoice for British goods entering the South African Customs

toms Union should be attached to a certificate, of which the following is the accepted wording:—

I,, the {manufacturer
supplier} of
the articles included in this invoice, have the means of
knowing, and do hereby certify, that the said invoice,
being from myself,, and amount-
ing to, is true and correct;
that all the articles included in the said invoice are
bona fide the growth, produce, or manufacture of,
....., and that a substantial portion of
the labour of that country has entered into the produc-
tion of every manufactured article included in the said
invoice to the extent of each article of not less than one-
fourth of the value of every such article in its present
condition ready for export to

(Signed)

Dated, this day of, 19 ..

For postal packets of a value of less than £10, the following certificate suffices if the goods are not merchandise for sale. It should be written on the parcel at the time of posting.

Every article herein, to the extent of at least one-fourth of its present value, is *bona fide* the produce or manufacture of

Signature of sender,

In the presence of, Postal officer.

Dated at

Rhodesian Preference

Upon a good many articles Rhodesia grants a special preferential tariff in addition to the preferential tariff of the South African Customs Union as already described. The scope of the Rhodesian preferential tariff also is wider than that of the South African preferential tariff, and embraces the whole British Empire—not only Britain, Canada, Australia, and New Zealand. The special Rhodesian preference is in amount equal to 2 or 3 per cent of the value of the goods. Thus the general tariff in South Africa may be 25 per cent, the preferential tariff in South Africa 22 per cent, and the special Rhodesian preferential tariff 20 per cent. Also, if the general South African tariff is 15 per cent, and the South African preferential tariff 12 per cent, the Rhodesian preferential tariff is 9 per cent. But some articles of British manufacture entering Rhodesia—such as beverages, biscuits, saddlery, and certain printed matter—are subject only to 9 per cent instead of to the 22 per cent of the South African preferential tariff.

Commercial Travellers

The various colonies and protectorates comprising the South African Customs Union have

framed many onerous regulations pressing heavily upon commercial travellers seeking to do business within their borders. Perhaps one of the effects of South African federation will be the reduction of these regulations to uniformity, and a lightening of their weight. Duty is charged on samples at port of entry, and is refunded if the traveller leaves the country within twelve months. Travellers may secure permits to carry their samples from one colony to another.

There are specific regulations regarding commercial travellers in the different colonies.

Cape Colony.—A commercial traveller's licence is necessary. If taken out before July 1 in any year the charge is £50, and the licence is good until December 31 of that year. If the licence be taken out on or after July 1, the charge is £25. But a six-months' licence cannot be taken out before July 1 of any year. The fees mentioned permit the traveller to represent only one house, and for every additional house represented the price of a licence is increased by £5. If a traveller be domiciled in the country for any length of time, and import goods to the value of not less than £1200 in any year, he need take out only an importer's licence, which costs £12 from any date anterior to July 1 until December 31 of the same year, or £6 from any date after July 1 until December 31 of the same year. If a commercial traveller is a direct representative of a joint-stock company, and holds a power of attorney for his company, he must pay a joint-stock company licence, which is 1s. per £100 of the subscribed capital of the company. On the railways commercial travellers are allowed to travel first class upon payment of second-class fare, and excess upon samples is charged at half the usual rates.

Natal.—A commercial traveller requires a licence costing £10 from any date before July 1 up to December 31 following. If taken out on or after July 1 the charge is £6. There is also a joint-stock-company tax, under which any joint-stock company having an office in the colony is liable to a tax of £1 upon every £1000 of subscribed capital or part thereof; but the maximum tax is £50, or if it can be proved that the turnover in the colony for the year has not exceeded £1000, the tax will be only £10. On the Natal Government Railways commercial travellers are allowed double the ordinary luggage allowance, and the excess charge is only half the ordinary excess charge.

Orange Free State.—The commercial traveller's licence costs £5 for three months. Resident agents of British firms holding stock in the colony must take out an ordinary shopkeeper's licence as well as a commercial traveller's licence. Com-

mercial travellers may, on application, receive a permit entitling them to travel first class by paying second class fare, but the permit must be renewed every three months. Double the free luggage is allowed, and excess is charged at half rates.

Transvaal.—Commercial travellers' licences cost £10 per year or £6 per half-year; but licences expire on June 30 or December 31, and if a licence is taken out at a time other than the beginning of the periods, the charge is proportionate to the time it has to run. Travellers wishing to dispose of their samples can do so only by obtaining a travelling trader's licence costing £30 per annum, or £8, 5s. per quarter. Commercial travellers are allowed double the ordinary free luggage, and pay only half rates on excess quantity.

Bechuanaland Protectorate.—Licence, £10 per annum; and a commercial traveller must have a separate licence for each house he represents. Railway privileges are as in Cape Colony. Resident agents also require a £10 licence.

Weights and Measures

The British Imperial weights, measures, and currency are legal in South Africa; but in addition to the long ton of 2240 lb. the short ton of 2000 lb. is used, and the hundredweight of 100 lb. The leaguer (= 128 imperial gallons) and the muid (= 3 imperial bushels) are still in use. The morgen (= 2.116 acres) is in use as a land measure. In practice, banks and merchants charge one shilling commission on Bank of England notes.

British Trade Representation.—H.M. Trade Commissioner, Cape Town. There are correspondents of the C.I. Branch, Board of Trade, at Cape Town, Port Elizabeth, Durban, Pretoria, Johannesburg, Bloemfontein, and Bulawayo. The Government Secretary at Maseru is the correspondent for Basutoland, and there is a correspondent for Bechuanaland at Francistown.

South African Trade Enquiry Offices.—These are established in London for the Cape, Natal, the Transvaal, and Rhodesia.

BRITISH WEST INDIES

The total area of the British West Indies is estimated to be slightly in excess of 12,000 sq. miles, which is about one-fourth the size of England. The total population is about 1,600,000, and two-thirds are negroes. (See "British Guiana".)

Shipping

The West Indies are reached by the sailings of the Royal Mail Company's steamers from Southampton, by the Imperial Direct Line of steamers from Bristol fortnightly, and by the Leyland Line from Liverpool at frequent intervals.

The vessels of many lines ply between British West Indian ports and the ports of the United States. The Bahamas are served by the Ward Line and the Bahama Steamship Company, both sailing weekly from New York. Trinidad is reached from the same port by the Trinidad Line fortnightly, and by the Royal Dutch Line every three weeks. The only direct service from the United States to Barbados, Bermuda, St. Lucia, St. Vincent, and St. Christopher is by the Quebec Steamship Company, with sailings every ten days.

The direct services between the United States and Jamaica are as follow: Atlas Line and Kerr Line from New York at least weekly; Peninsular & Occidental Steamship Company from Nassau to Miami, Fla.; the United Fruit Company's steamers from New York, Baltimore, Boston, and Phila-

delphia; West Indian & Pacific Line from New Orleans bi-monthly; American Mail Steamship Company from Boston and Philadelphia; and the Independent Line from New York.

Jamaica

The largest island is Jamaica, which, with an area of 4207 miles, is more than half as large as Wales, and has a population of about 840,000, chiefly negroes, but including 13,000 East Indians. The political and commercial capital is Kingston, with a population of 48,500. The resources of Jamaica are entirely agricultural, and consist of fruit, chiefly bananas and oranges, sugar, rum, coffee, cocoa, and dye woods. Britain purchases little more than 20 per cent of the total exports, which come to about £2,000,000 annually; the United States is the chief customer, taking 60 per cent of the total value exported. The Turks and Caicos islands are attached to Jamaica politically. Their total area is only about 170 sq. miles, and their population about 6000. They are valuable on account of their salt, sisal, and sponges. Two-thirds of the export value consists of salt, and the United States purchases most of the total produce sent from the islands, which, however, comes to only about £25,000 annually. Salt exported pays a duty of 10 per cent of value. The Cayman Islands, with an area of 55 sq. miles and a population of about 6000, are also attached to Jamaica.

for administrative purposes, and export cocoanuts, turtle, rope, turtle shell, and cattle.

The Bahamas

The Bahamas are a chain of some 3000 islands and rocks, but only twenty of the islands are inhabited. The total area is a little larger than that of Jamaica, and the population is about 60,000, mostly negroes. The chief island is New Providence, which has an area of 58 sq. miles, and contains Nassau, the capital (12,000), which has become a favourite winter resort for Americans. The agricultural industries lie chiefly in fruit—pineapples, oranges, and tomatoes—and in sisal fibre, the output of which is on the increase. Sponges, turtles, pearls, and ambergris are also exported. The value of the entire exports (which go chiefly to the United States) come to about a quarter of a million sterling annually. A few export duties are levied—guano, 10s. per ton; pineapple or sisal slips, $1\frac{1}{2}d.$ each; earth, 10s. $6d.$ per ton; and wrecked goods, $1\frac{1}{2}$ per cent of value.

Barbados

Barbados is an island with an area of 166 sq. miles, being therefore a little larger than the Isle of Wight, and a population of about 200,000. The capital is Bridgetown (30,000). The chief industries are cane sugar and cotton. There are about 400 sugar works and several rum distilleries. Cotton cultivation is increasing in importance, and the annual export of this commodity is valued at about £60,000. Glance-pitch or manjak, a bituminous fuel, is also exported.

Leeward Islands

The Leeward Islands consist of Antigua, St. Kitts-Nevis, Dominica, Montserrat, the Virgin Islands, and some smaller islands of minor importance. The entire area is 704 sq. miles, about that of the county of Surrey, and the total population is 140,000, of whom just over 5000 are whites. The chief town and commercial centre is St. John, in Antigua, with a population of about 10,000. The town of Basseterre, on St. Kitts-Nevis, is about the same size. The chief products of the various islands are as follows:—

Antigua.—Sugar, pineapples.

Barbuda and Redonda, dependencies of Antigua.—Salt, phosphate of lime, and cattle.

St. Kitts-Nevis.—Sugar, cotton.

Anguilla, a dependency of St. Kitts-Nevis.—Salt, phosphate of lime, cattle, ponies, vegetables.

Dominica.—Cocoa, limes, coffee, fruits, spices.

Montserrat.—Sugar, limes, coffee, cocoa, cotton.

Virgin Islands.—Sugar, cotton.

The value of the export trade of the Leeward Islands is about £500,000 annually, and this includes exchange trade between the five different presidencies into which the islands are arranged politically. The exports to the United Kingdom are of the annual value of about £200,000, and they have made rapid movements upwards since the beginning of this century, chiefly owing to increase in sugar, fruit juice, and fruit. Export duties are levied in Montserrat and Dominica upon animals and most of the other products of the islands; in the Virgin Islands, upon animals and a few vegetables; and in St. Kitts-Nevis, upon sugar and rum.

Windward Islands

The Windward Islands have a total area of 506 sq. miles, which is about half that of Derbyshire, and the population is about 180,000.

Grenada is the seat of the governor, and has an area of 140 sq. miles and a population of 70,000. The capital is St. George (5000). St. Vincent has an area of 140 sq. miles and a population of 52,000, the capital being Kingstown (4500). St. Lucia has an area of 234 sq. miles and a population of 55,000. The capital, Castries (8000), has a fine harbour. It is the chief naval coaling station in the West Indies. The products of the Windward Islands are as follows:—

Grenada and the Grenadines.—Cocoa, fruits, cotton, spices.

St. Vincent.—Arrowroot, sugar, cocoa, fruit, vegetables, live stock, poultry.

St. Lucia.—Sugar, cocoa, tobacco, spices.

The exports reach the average value of about £600,000 annually, including trade between the islands, but they fluctuate very much according to the productiveness of the season. Britain takes about half the exports. In St. Vincent there are small export duties upon arrowroot, cocoa, and cotton; and in Grenada upon cocoa, cotton, cotton seed, logwood, and spices.

Trinidad and Tobago

Trinidad and Tobago are politically attached to each other. The former is the larger, and has an area of 1754 sq. miles, so that it is a little larger than Lancashire, with a population of 330,000. The capital and chief town is Port-of-Spain, which has a magnificent harbour, and is a thriving commercial centre with a population of 54,000. The chief products of the island are cocoa, sugar, asphalt, and cocoanuts. The great asphalt lake

of Trinidad, 60 miles south from the capital, is the most important source of that material. It covers nearly 100 acres, and is a source of perennial wealth to its proprietors. Tobago has an area of 114 sq. miles and a population of about 20,000. The chief town is Scarborough, with a population of 1800. The products of Tobago are sugar, rum, cotton, and tobacco. The exports of Trinidad and Tobago total an annual value of about £3,000,000, of which one-fifth reach Britain, chiefly asphalt. But the export value includes transshipment consignments, and does not consist exclusively of domestic produce. Certain articles from Trinidad pay export duty—asphalt, cocoa, coffee, copra, molasses, rum, sugar, and cocoanuts.

Value of the West Indies

As a contributor to the requirements of the British market, the West Indies are valuable chiefly for their sugar, raw cocoa, bananas and oranges, raw cotton, ginger and other spices, dye extracts, lime juice, and asphalt. The value of Britain's purchases from her West Indian possessions comes to about £2,000,000 annually. Although this is only about 22 per cent of the entire value of exports, it must be remembered that on account of the small fiscal areas into which the islands are divided up, export trade includes interinsular trade. There are no records showing what proportion of the exports from the group go to Britain, but the value is certainly not less than 50 per cent of the total.

The import trade of the West Indies—considering all the islands as a whole—is worth about 9 millions sterling per annum, and of this value Britain contributes above $3\frac{1}{2}$ millions. Almost three-quarters of a million is for cotton manufactures, and the other important departments are leather goods, machinery, iron and steel, woollens, beer, soap, apparel, and haberdashery.

Prospects

It is improbable that the West Indies will witness any rapid development or great expansion. The sugar industry has been under the blight of beet-sugar competition from continental Europe for many years, and although Canada, by its surtax against German goods, killed its importation of German sugar for a time, to the great profit of the West Indian sugar planter, more than this is needed to place the West Indian sugar industry upon a firm basis. The fruit industry has been and is being encouraged to good purpose. Covent Garden passes through its portals more West Indian fruit than it has ever done before, and the

banana has to some extent supplanted the sugar cane as a product of the West Indies. But the islands are small in area and incapable of much further development. Except for the asphalt of Trinidad, they have practically no mineral wealth, and there are no wide virgin prairie lands awaiting the plough of the settler. The presence of the black man means that the islands will not be developed by the sweat of white labour. Under the sunny skies and sub-tropical climate of the Caribbean, the black man has little temptation to develop unusual energy. Indeed, in regard to their commercial value to Britain, the islands need not be expected to improve much. The market is distant, in spite of rapid transit. The opening of the Panama Canal, which will place the West Indies in the direct trade route from Europe to the Pacific coasts and islands, will benefit the islands somewhat, but not so much as has been supposed. Full cargoes and through cargoes are the most economical forms of transport: the West Indies can offer only smaller and chance cargoes, that may scarcely pay to pick up.

Domestic Manufacture

There are no manufactures in the West Indies that compete appreciably with the manufactures of Britain, so that in the West Indian market competition is not with domestic production but with the United States, and to a small extent with continental Europe and with Canada. The reciprocal trade between Canada and the West Indian islands is important and progressive under the fostering influence of the Canadian preferential tariff.

There is no likelihood that domestic manufacture will assume any importance in the West Indies so long as the present system of local fiscal barriers prevails. The entire market is small enough, but when it is broken up into thirteen distinct entities with tariffs around each one, the field of any individual market must be very restricted.

Import Duties

The Customs duties in the West Indies are many and various. With this varied tariff in force, and with some duties specific and some on a percentage basis in every one of the thirteen areas, it would be idle to attempt to give an exact and comprehensive statement of the duties in force. There is a generous free list in most of the territories. Most machinery is free, and, as a rule, if a duty would hamper public works or militate against the establishment of any industry,

no duty prevails. Apart from such cases, the *ad valorem* duties applying to many classes of goods are as follows in the several fiscal entities: Bahamas, 20 per cent; Turks and Caicos Islands, 10 per cent; Jamaica, 16½ per cent; St. Lucia, 15 per cent; St. Vincent, 11 per cent; Barbados, 10 per cent; Grenada, 7½ per cent; Virgin Islands, 10 per cent; St. Kitts-Nevis, 11 per cent; Antigua, 13½ per cent; Montserrat, 13½ per cent; Dominica, 12½ per cent; Trinidad and Tobago, 5 per cent. The areas to which the duties pertain are so small that in many cases they resemble octrois rather than Customs duties.

Certificates of origin are not required for goods imported into any of the British West India Islands, except for sugar entering Barbados, and for animals from a port suspected of disease. Invoices must always be produced for goods chargeable with an *ad valorem* duty, and in some cases the charges for preparing and packing the goods for shipment must be entered separately.

Local Regulations

The conditions applying to trading differ in the various islands, but in no case are commercial travellers oppressed by harsh laws. In none of the islands do commercial travellers pay for a licence as such. In most cases samples, even when of value, are permitted to be taken into the islands without payment of Customs duty, and, even when duty is charged, it is refunded in full when the goods are re-exported within a reasonable time. In Jamaica a deposit of 10 per cent in excess of the proper duty must be paid upon

entry, and this is refunded upon re-exportation. Resident agents in Jamaica must pay the local trading tax, which is £12, 10s. for a general factor or wholesale dealer. In Antigua several trading licences are enforced, the annual tax for a pedlar being 5s.; for a person selling goods from a room or store, 25s.; for a resident agent, from 25s. to £20, according to the amount of trade done. In Barbados anyone importing goods for sale must have a licence, the fee for which varies in each case; but the ordinary commercial traveller does not come within the scope of this regulation. In Trinidad and Tobago samples must be re-exported within two months if the duty paid upon entry is to be refunded.

The legal currency of the British West India Islands is the British system of pounds, shillings, and pence, but in some of them, such as Dominica, St. Kitts, Trinidad, and Tobago, some traders and local banks reckon in dollars and cents (100 cents = 1 dollar = 4s. 2d.). Government accounts are kept in the Imperial currency.

British Trade Representatives.—Correspondents of the C.I. Branch, Board of Trade—*Antigua*, the Treasurer, Antigua; *Bahamas*, the Colonial Secretary, Nassau; *Barbados*, the Colonial Secretary, Bridgetown; *Dominica*, the Treasurer, Dominica; *Grenada*, the Collector of Customs, Grenada; *Jamaica*, the Colonial Secretary, Kingston; *Montserrat*, the First Treasury Officer, Montserrat; *St. Kitts-Nevis*, the Assistant Treasurer, St. Kitts; *St. Lucia*, the Administrator, St. Lucia; *St. Vincent*, the Supervisor of Customs, St. Vincent; *Trinidad*, the Collector of Customs, Port-of-Spain; *Virgin Islands*, the Commissioner.

THE DOMINION OF CANADA

The area of Canada is estimated at 3,745,500 sq. miles. This grand total includes the area of lakes and rivers, and if these are deducted from the estimate, the area is about 3,620,000 sq. miles, a land surface sixty-two times the area of England. Much of it is frozen north land that will never be productive except perhaps after long geological epochs, and this portion must of course be discounted in the reckoning of Canada's economic assets. But the area of productive land is much vaster than Canadians themselves dreamed of twenty years ago, and the railway and the plough are making valuable thousands of square miles once deemed forbidding or worthless. As man changes the face of nature, this area will be ever widening, and the close of the century in which we now live will see Canada's population and industrial activities multiplied many times from present

figures. The population of Canada is estimated at about 7,000,000.

Ports

Of the various ports to which ocean-going vessels have access in Canadian territory, Montreal is, from the point of view of the British trader, entitled to the chief place, notwithstanding that the tonnage of vessels entering and clearing there is not quite so large as that at Victoria in British Columbia. Halifax in Nova Scotia ranks third, followed in the order of importance by Vancouver (British Columbia), St. John (New Brunswick), Quebec, and Sydney (Nova Scotia). The last-named place is of importance as being the port of communication for Newfoundland, and the chief coaling port in the east of Canada.

For years past the Manitobans have discussed the feasibility of opening up railway communication with Hudson Bay and establishing a port there. Such a port would confer the great advantage of providing an outlet for Manitoba wheat and other produce during later months of the year than is at present possible by the railway and canal service to the St. Lawrence, owing to the earlier blocking of the river by ice. The railway journey to Hudson Bay would, moreover, be considerably shorter than that to the St. Lawrence. Port Simpson is the Pacific terminus of the new Canadian Northern Railway. Its development into an important commercial centre is inevitable, but being on the other side of the world, so to speak, it will be of little direct importance to British exporters.

Shipping

The Atlantic steamer services to Canada are the Allan Line to Quebec and Montreal from Liverpool weekly and from Glasgow weekly; the Allan and Furness Line from Liverpool to Halifax fortnightly; the Canadian Pacific Line and the White Star-Dominion Line from Liverpool to Quebec and Montreal weekly; and the Donaldson Line from Glasgow to Quebec and Montreal fortnightly. It must be remembered that the ports of Montreal and Quebec are closed from November to April.

Commercial Centres

The commercial centre of Eastern Canada is Montreal, and that of lower Ontario is Toronto. These towns are the hubs of trade in Eastern Canada. Winnipeg, the capital of Manitoba, formerly looked to Montreal as its commercial metropolis, but it will in a few years rival the older city. In one generation Winnipeg has advanced from a village to a city of some 150,000 inhabitants. Its nearest neighbours as cities are Duluth, St. Paul, and Minneapolis (in the State of Minnesota), and there is with these centres a good deal of commercial intercourse, which would be more intimate but for the tariff boundary. In Eastern Canada, Quebec is a good commercial centre, but is overshadowed in size and importance by Montreal. Montreal lies at the gate of Ontario, which is the progressive manufacturing province. Quebec lies in the centre of the province of the same name, which is essentially agricultural, not manufacturing, the province of the French Canadian, the contented peasant who is not possessed of the ambition of his Anglo-Saxon compatriot. Sydney, on the Gulf of St. Lawrence and the terminus of the inter-colonial railway, is

the chief coaling port on the Canadian Atlantic, and will be an important commercial metropolis, as it is becoming a manufacturing centre, when Cape Breton Island has become densely populated. St. John and Halifax are the seats of trade of the two maritime provinces of New Brunswick and Nova Scotia. They are too far from Montreal to be overshadowed by the latter, and constitute independent commercial centres in themselves.

Resources and Prospects

The potentialities and prospects of Canada are great. Any figures relating to Canada, while they may be accurate at the moment when they are put on record, do not long maintain even approximate accuracy. Events move fast. Progress is phenomenal. The vast hinterland of the north-west is receiving a steady stream of immigrants and settlers, attracted by the illimitable possibilities of the country, and heralded by the grunt of the locomotive as it winds its way through what were once the preserves of the trapper and the buffalo.

We shall first consider Canada as a contributory factor to the material wealth of the world and of the British Empire, examining the present position and potentialities in so far as they are and will be of benefit to Britain and to the world at large.

The great focus of the stream of Canadian immigration has been the north-west provinces, which comprise Manitoba, Saskatchewan, and Alberta. In 1901 these provinces contained 54,625 farms. In 1906 they contained 122,398 farms. These figures testify to the enormous and rapid growth. The greatest acreage is under spring wheat—about 5,000,000 acres; oats come next with barely half the area of wheat; then barley claims half a million acres; and flax, fall wheat, potatoes, and rye add a moderate quota to the total surface under tillage. Canadian exports of agricultural produce, in the brief space of the nine years prior to 1908, multiplied themselves by three. The great cereals are wheat, oats, and barley. The grand total of all cereals produced is 400 millions of bushels per annum, oats comprising more than half, wheat being one-fourth, and barley under one-sixth. The quantity has more than doubled in eight years, and there is no sign of slackening. Britain purchases more than half the grain products exported from Canada, and the quantity and value are increasing year by year.

In exports of stock the same progress is found, although for temporary causes Britain's purchases of horned cattle in 1907 and 1908 were lower than in the years immediately preceding. Yet Britain

purchases three-quarters of the value of all the live animals exported, which is of about the value of $2\frac{1}{2}$ millions sterling. Of provisions—including butter, cheese, eggs, lard, bacon, and tinned meats—Britain purchases 98 per cent of the whole quantity exported, which aggregates £7,500,000 annually.

The total produce of Canadian forests exported is of the value of about £9,000,000, and Britain takes about 60 per cent, almost the entire remainder being taken by the United States, whose thinning wood supply is supplemented by the greater timber wealth across her northern border. Britain purchases Canadian timber in the form of spruce deals, deal ends, joists, and scantlings; while the United States purchases chiefly in the form of logs, spruce deals, laths, palings and pickets, joists and scantlings, planks, boards, staves, and bark, which is used for tanning.

The total products of Canadian mines exported in a raw or semi-raw state come to about £8,000,000 annually. Of this value Britain takes less than 4 per cent, the trade consisting of copper ore, nickel matte, and a little silver and mica. The products of the mine exported by Canada in order of value are silver, gold, copper, coal, nickel, asbestos, lead, gypsum, and mica. The recent increase in the value of silver mined in Canada and exported is phenomenal.

The Canadian fisheries have an export value which has ranged between £2,000,000 and £3,000,000. Almost a quarter of this value comes from canned salmon, of which nearly all is purchased by Britain. The principal fish caught and exported are cod, haddock, ling and pollock, herrings, lobsters, mackerel, and salmon. Distance prevents Britain from purchasing fresh fish from Canada, but for smoked and canned fish Britain is a good customer, though not the best. Great quantities of dried and pickled fish find their way from Canada to the West Indies and Brazil, while France is a good buyer of canned lobsters.

Manufactures

So much for the natural products of Canada—the output of her fields, forests, mines, and fisheries. But she is a great manufacturing nation, and while she does not export fully manufactured articles in any measure commensurate with her importance, yet in some departments, such as in the manufacture of agricultural implements, she can teach the world. The total value of manufactured merchandise, in the restricted sense of the word, exported from Canada is about £6,000,000. Included in the list as principal articles are agricultural implements, cordage and rope, drugs (chiefly patent

medicines), leather, whisky, and wood pulp; of less importance from the point of view of value are carriages and wagons, cottons, explosives, machinery, junk and oakum, musical instruments, oil cake, and furniture. The exports of Canadian joinery and boots and shoes have shown great decreases, chiefly because it is found more remunerative to cultivate the domestic market. There are many other articles of less importance. The list given indicates what Canada is doing in export trade, and it also serves to show where further expansion in the field of export is most likely to be manifested.

The measure of industrial enterprise is not export but production. The value of the annual production of manufactured articles from the factories, mills, and foundries of Canada is about £150,000,000. Over 25 per cent of this value is for food products, the most important of the sub-groups being, in the order of their importance, flour-mill products, butter and cheese, meat, sugar, bread, and confectionery, preserved fish and canned fruit, and vegetables. In none of these articles is Britain a practical competitor, so that Canada's increasing importance in the production of this class of manufacture competes not with Britain but with other countries, particularly the United States, certain continental countries, and other British colonies. Canada, by competing for Britain's import trade in these commodities, increases the supply and tends to lower prices in the mother country. In the next most important group—timber and timber manufactures—in Canadian manufacturing industries the same remark applies; Britain is interested primarily as a purchaser of her colony's output. The output in this group is of the value of over £22,500,000. The chief sub-groups are log products, lumber products, furniture, wood pulp, cooperage, and wooden boxes.

But in the group which ranks third in importance Canada challenges Britain in her most important industry, that of textiles. The output of Canadian textiles has reached the value of over £18,000,000 annually. This department of Canadian manufacture was most severely hit by the British preferential tariff when the preference first came into vogue, and it was some time before the developing textile industry of Canada adjusted itself to the favourable terms of entry granted to the output of the factories of Britain. Although there was more cry than lost wool when the Canadian textile manufacturers raised their loud protest, the competition of British goods was keen in the early days of the preference; but now the Canadian trade has adapted itself, and is expanding again with characteristic vigour. The day is

yet distant when Canada will be a serious competitor in the neutral markets of the world for the textile trade. Her own market absorbs nearly all she can turn out, and, in economy of production, her manufacturers cannot yet place themselves alongside the weaving factories of Lancashire and Yorkshire, where the inherited ability and the lower wages have cut manufacturing expense to a fine point. The chief sub-groups in the textile department of Canadian industry, in the order of their importance, are cottons, men's factory-made clothing, women's factory-made clothing, hats, caps, furs, hosiery and knitted goods, and woollen goods.

The iron and steel industries of Canada come next in importance judged by output value. The value of the aggregate output is over £10,000,000. These figures do not include agricultural implements, of which the output is large (£2,500,000) and the distribution wide. The most important sub-group in the department of iron and steel products is that of foundry and machine-shop products, comprising almost half the total value mentioned above. Wire and wire fencing, boilers and engines and bridges, are also important, accounting for a value of about £2,500,000. Canada competes directly with Britain in the Dominion for iron and steel requirements, and as the domestic producing industry expands, it becomes ever more and more difficult for British firms to do business in the colony. A great proportion of what enters Canada is duty-free raw material for Canadian manufacturers; a large quantity consists of special machinery which Canada does not manufacture; and a good deal is cutlery in which Sheffield is still pre-eminent, in spite of a duty of 20 per cent under the preferential tariff. In goods of iron and steel Canada is able to compete in the markets of the world to a considerable extent, and the quantity that she exports now is not unimportant.

In metal manufactures other than iron and steel Canada's output exceeds £10,000,000, and the wage earners number over 20,000. Although the value of output here is almost equal to that in iron and steel manufactures, the hands employed number one-third fewer, owing to the greater relative value of the non-ferrous metals. The establishments in this group include smelting works, brass foundries, jewellery-making establishments, plumbers' supplies manufactories, silversmiths' shops, metallic roofing factories, bedstead works, and lampworks. The metal refineries export the raw copper, gold, and silver to the value of about half the output of £10,000,000 for the group; but apart from these refined metals not otherwise manufactured, almost the only item exported from this group is a little metallic roofing.

These are the more important Canadian manufacturing industries, and they are calculated to convey a fair impression of the character of Canadian manufacturing activities. Of less importance than those enumerated are the leather and boot and shoe industries, brewing and distilling, oil expression and refining, vehicle and car manufacture, and the manufacture of musical instruments and electrical apparatus.

Domestic Competition

Britain's chief competitor in the Canadian market is not the United States of America but Canada herself. It has not been realized that Canada is developing, and has indeed developed into a great manufacturing nation. In the eyes of those who do not know her she is a sort of backwoods country under a soubriquet "Our Lady of the Snows". But Canada is a hive of manufacturing industry. The cash value of her manufactures exceeds the aggregate cash value of the products of her waters, mines, forests, and fields. She is a great agricultural country, a great mineral country, and a great timber country; but more than all combined, she is a manufacturing country.

There are two reasons why the man in the street seldom hears of this side of Canadian activities. In the first place, it is not the wish of the Canadian manufacturer or of his workmen that the world should appreciate the industrial side of Canada's position and prospects. The manufacturer does not particularly wish to invite competition, and the workman prefers an immigration that is agricultural rather than artisan. A great influx of artisans would gorge the labour demand and tend to reduce wages. The Canadian Government is the best advertiser in the world, but its advertisements hold out golden prospects of bountiful harvests with homes and competence in the North-west. They do not indicate prospects for the mechanic or woodworker. Artisans are organized. Their vote is solid, or could be made solid, and turned against any government, a department of which threatened their interests. The Canadian Manufacturers' Association is also solid, and wields great political influence. Class interest is powerful here, and so the impression of sunny prairie and golden harvest is maintained and intensified, while there reigns a comparative silence regarding Canadian industry. Yet another reason has made for the same end. Canada exports a good deal of manufactured goods, but the quantity and value are small compared with the total output of the Dominion. Export trade is required only when there is a surplus output to be

absorbed. In Canada we have a country that is developing with such rapidity that she can absorb nearly all her own output of manufactured articles, increasing in volume and variety as these are. The capital and ability of Canadian manufacturers are being, and have for years been, strained to meet the demands of the domestic market. Story has been added to story, wing to wing, foundry to foundry; spindles have been multiplied, branches started, new plant and machinery installed, until the enterprises of a few years ago have many times their former capacity, and still the demand of Canada herself is unsatisfied. The time is yet far off for a permanent slackening of Canada's phenomenal growth, and during the coming years of rapid expansion Canadian manufacturers as a body will find themselves taxed to meet the market call within their own borders.

Public Aid to Manufactures

The attitude of federal, provincial, and municipal governments in Canada towards manufacturing enterprises is paternal and practical. For instance, it is by no means an exceptional event that a man or a company that proposes to start works should approach a municipality for assistance. Such assistance may take the form of a money grant, a free site for works, water or power rights, or freedom from municipal taxation for a certain number of years. These privileges singly or in any combination have been granted in the past to enable skill with limited capital to establish enterprises that would carry direct benefit to the community. In such a case there must, of course, be some guarantee, such as a stated amount of money invested by the owners themselves, the employment of a certain minimum number of employees, or minimum output. But Canada is a land of easy opportunity for pursuits even other than agricultural.

The central government assists by the granting of bounties. Some of these bounties are purely fiscal, being designed to offset an export duty on raw material in its country of origin. Thus there is a small bounty on binder twine—75 cents or about 3s. per 100 kilos—to compensate for the export duty on manilla fibre from the Philippines. In this way Canadian legislators discount the advantage which foreign governments seek for their subjects through the agency of export duties. The same spirit of fair play for the Canadian producer gave birth to the clause in the Customs tariff which prohibits entirely the importation of any goods manufactured or produced wholly or in part by prison labour. Also, if it be shown that any goods are being "dumped"

into Canada, that is, sold in the Canadian market at a lower price than that prevailing in the home of manufacture, the Canadian Customs charge, in addition to the ordinary duty, a sum equal to the difference between the "dumped" price and the selling price in the home of manufacture. Thus any advantage to be gained by dumping goes into the public treasury, and cannot compete against the Canadian producer and manufacturer in the Canadian market.

But the application of the dumping clause is qualified, not sweeping. This special "dumping" duty must not exceed 15 per cent of value, and it is not imposed upon (a) goods on which the duty is already equal to 50 per cent of the value; (b) goods of a class subject to excise duty in Canada; (c) sugar refined in the United Kingdom; and (d) certain binder twines made from New Zealand hemp, istle or tampico fibre, sisal grass or sunn, or any mixture of these fibres.

Bounties are also paid by the Canadian Government upon iron and steel made from Canadian ore by the electrolytic process, upon pig iron, puddled bars, steel, lead, and crude petroleum. The Canadian regulations affecting industry are always in a more or less fluid state. The practical assistance of the Canadian authorities is easily secured for manufacturing enterprises. Any new venture that embarks capital, if certain to redound to the benefit of the community, is assured of favourable consideration for public encouragement.

But the imposition of export duties is not part of the policy of fostering Canadian industry or of guarding her reserves. It has occasionally been tried as a temporary measure. The only export duties in force are upon coal (2½d. per ton) and coke (4½d. per ton) exported from British Columbia, and upon gold (1s. 6d. per ounce) exported from Yukon.

Government and Trade

In no country or colony in the world does the government take a more active and practical part in forwarding the interests of trade and manufacture than the government in Canada. She is an example to the world in this respect. What a certain soap used to be among manufacturers, Canada is among exporting nations—the best and most thorough advertiser. Canadian trade commissioners and commercial agents are dotted over the globe. Their functions are not circumscribed by merely giving statistical information to those who apply for it. They act as agents in a real sense. Canadian manufacturers keep them supplied with catalogues, price lists, trade terms, and cash discounts, and they accept and transmit orders for consignments of goods to Canadian

manufacturers. Widespread as they are, they see openings for Canadian goods as they arise, and Canadian trade has benefited considerably by their activities. There are six Canadian trade commissioners in Britain, two in South Africa, and one each in Newfoundland, New Zealand, Australia, West Indies, China, Cuba, France, Japan, and Mexico. The six who are resident in Britain are in Manchester, Birmingham, Bristol, Glasgow, Belfast, and Leeds.

There is also the Canadian High Commissioner's Office in London, where the concern of the officials includes, but is not limited to, trade matters, and the city trade branch of this office. There are, in addition to these, five commercial agents in the British West Indies, and one in Christiania who is agent for Norway, Sweden, and Denmark.

A trade commissioner is an official whose time is devoted exclusively to the interests of Canadian trade, while a commercial agent may follow some other profession or occupation as well. All these officers are quite distinct from the immigration agents. Under such an elaborate and extensive organization, controlled efficiently and working harmoniously, is it surprising that Canada has taken among the exporting nations of the world a place high above that to which she would seem entitled, judged by her population alone? And is it surprising that the central force that created and controls this wonderful organization is leading Canada up the hill of progress at a greater pace than that of any other nation of equal population? The statesmen of the Dominion have introduced into Canada's national policy a spirit of practical commercial science.

Imports

The Canadian import trade has kept pace with Canadian progress in other fields. It has even satisfied Canadian ambitions, which are legitimate and vast. How Canadian import trade has increased is best illustrated by the statement that within twenty years it has multiplied itself by about three and a half. The sum of £70,000,000 for one year's imports is no mean figure.

It is instructive to observe the progress of Canadian imports from Britain and from the United States respectively. Whereas twenty years ago imports from the United States aggregated only about a million and a half more than those from the United Kingdom, the difference is now 22 millions sterling. The percentage proportions in 1889 were 38·73 and 45·86 for Britain and the United States respectively, and in 1908 these proportions were 26·83 and 58·16 respectively. And these figures are in spite of the British preferential

tariff about which so much has been spoken and written, but about which people know so little.

America in the Canadian Market

The struggle for trade in Canada has always lain between Britain and the United States, the two countries that claim 85 per cent of the entire Canadian import trade. Germany and France between them can boast only something less than 6 per cent. The share of the former has suffered decline on account of as pretty a fiscal skirmish as is to be found in the annals of international trade, and France is benefiting on account of a favourable trade treaty made with Canada. The remaining 9 per cent of Canadian import trade is divided between the other countries of the world, including all the other British colonies.

Why has the United States attained such a position of ascendancy in the Canadian import trade? The reasons are many and various. For the most part they are due to perfectly natural causes, and while some of the sins of omission which it is usual to lay at the door of the British manufacturer have contributed to the loss of much trade by Britain, other influences have transformed the Canadian import market during a quarter of a century.

The chief contributory factor to the development of the commercial situation in the import trade of Canada is summed up in the word "geography". The United States has the advantage of geographical position, and this means much more than is at first sight apparent. Montreal is the great commercial centre for Canada. The waterway of the St. Lawrence, by which alone economical transport of merchandise from Great Britain can reach the stores of the importers in Central Canada, is closed for six months of the year. It is worldly wisdom that accepts the verdict of nature and buys to suit the needs of the case in the most accessible market, and for Canada the most accessible market is the United States. The sentiment of the colonial will carry him a little way towards giving a preference to Britain, but business instinct prevents him from going too far. The sentiment is national in its expression rather than individual, and there is wisdom in this also. A national concession is given by the entire community, but an individual concession involves private sacrifice.

Community of tastes and interests that come to two people in close propinquity, with the only barrier between them a political one, has been potent in influencing trade in America's favour. The steady flow of immigration and emigration across the border line mixes the peoples and gives

knowledge of each other, of their articles for use and ornament. Fashion and habit create preferences for articles that were formerly looked upon as strange and unwelcome.

American literature—the newspaper press, the magazine press, and the trade press—has for years been carrying the message of the American manufacturer into the homes of the Canadian artisan and agriculturist, until the British press appeals to Canadian sympathy very little. The low rate at which American newspapers and magazines are allowed to pass through the Canadian post office department, and the high rate that has applied to British newspapers and periodicals, has militated against British trade not a little. This state of things at length occasioned action by the British Postmaster-General, who in 1907 instituted a magazine post from Britain to Canada whereby British periodicals can be sent at a much lower rate than they can be sent by post to another address in the street where they are published. (See Part I, Chapter VII.)

Canadian Buyers

British manufactures exported to Canada filter through jobbing houses in the Dominion before they reach the retailer and the consumer. These jobbing houses buy largely and pay cash. But the retailer and the smaller wholesale houses ever seek to get into closer touch with the manufacturer and foreign merchant. Every buyer wishes to buy direct if he can. The British manufacturer, as a rule, has never met this natural desire halfway, but has been content with the trade that the big jobbing houses have been sending him. The American manufacturer, on the other hand, has met the Canadian retailer more than halfway. He has sent his traveller into the store of the latter, shown him samples, solicited orders, and offered to open trading accounts with him. Is it surprising that the Canadian retailer has preferred to purchase American goods from the American manufacturer, when the British manufacturer has viewed this wooing from a distance, content with his relations with the big Canadian jobber? American goods have found their way direct from American mills and foundries into the Canadian store, and there has been smaller and smaller space left for the products of British industry. Then has come a reflex action. American differences have appealed to Canadian taste, and American goods, at first accepted, not on the merits of form or quality, but because of the convenience of direct relationship with the manufacturer, have stayed on merit, and the British article, though admittedly possessing more lasting proper-

ties, has come to be considered oldfashioned and inferior. Thus the market has been gradually shut down against the British product, and although an attempt was made in the British Preferential Tariff Schedule to provide an equipoise for the American natural advantages, the attempt has had little effective result. The British manufacturer, seeing himself pushed more or less from the Canadian market, has been content to let it remain so. He has bestirred himself very little to find an effective weapon to carry on the combat; he has refrained from studying the market to meet local tastes and requirements; he has, when requested, refused to revise prices, to modify designs, or to introduce new patterns; and now the trade has found other exponents who value it as of higher worth, prosecute it more energetically, and receive the rewards of their enterprise.

Perhaps the British manufacturer was wise in his reluctance to devote special attention to the Canadian market. He has the world for his field, and a world-wide trade. For him the Canadian market was not, as it was for the American manufacturer, the next-door shop where it was convenient to call and easy to deliver goods. The natural handicap was against him, and his enterprise may have been directed into other channels where the return was more generous. But the fact is that in the Canadian market Britain commands very little more than one quarter of the import trade.

A good many contracts are placed by Canadian municipalities for works and material. A preference is generally given to British imported goods; but there is a strong local sentiment, and contracts are often given to local producers at a price higher than tenders received from others. The pull of a bribe is also not unknown, for municipal politics in Canada could be purer. There is a widespread belief that British manufacturers are somewhat indifferent to Canadian trade, careless in meeting special requirements, and slow in delivery.

Import Duties

We have already urged the importance of Canada as a manufacturing country. Canadians are alive to their opportunities and their possibilities. They have no intention of hampering their development as a manufacturing nation by any concession in tariff, even to the mother country. "Canada first" is the motto graven upon the prow of their ship. If a preferential tariff is going to help Britain at the expense of the Canadian maker, then a few bricks are added to the top of the wall. To Britain Canada says in effect: "There is so much trade that we cannot

do ourselves; someone has got to have it, and we shall be glad to help you to have it". Therefore she makes the tariff wall against Britain high, and that against the United States a good deal higher. But not one of the several tariff walls is low enough to allow any outsider, British or foreign, to compete against the Canadian manufacturer on any terms other than with great advantages in favour of the latter.

There are a great many articles on the duty-free list, but they are all such as favour Canadian industry by being free. Many seeds are free, and this favours agriculture; oysters and fish for stocking Canadian waters are free, for the benefit of the fishing interests; crude lime juice is free, because it enters Canadian refineries; technical and educational books are free, because it is no part of Canadian policy to tax scientific progress; many classes of goods not manufactured in Canada are free, because, if there is nothing to protect, a tariff would be merely a tax with no compensating advantage in the form of a developing domestic industry; and half-manufactured goods for the use of Canadian manufacturers are duty-free until it is seen that the imposition of a duty would create or stimulate manufacture *ab initio*. The usual maximum duty on the general tariff is 35 per cent for fully manufactured goods, and the British preferential duty on such goods is usually from 20 to 30 per cent. Semi-manufactured articles are subject to about half these duties, but to these general rules there are exceptions, and any manufacturer or exporter wishing to know what duties apply to the goods in which he is specially interested can learn the information only by investigating the Schedule for himself, or by consulting the Board of Trade or Canadian Government officials.

Preferential Tariff

In 1896 Canada took the momentous step of deciding that British goods entering the Dominion should be placed upon a fiscal basis different from the goods of foreign countries. The rebate given was at first a rebate of 25 per cent of the duty chargeable, so that if an article of American or German or other foreign manufacture was taxed at the rate of 30 per cent of value, the tax upon a similar article of British manufacture was only 22½ per cent; and if the foreign article paid 20 per cent of value in duty, the British article paid only 15 per cent. The preference was considerable, and calculated to give British manufactures a good advantage in the Canadian market. A few years later—in 1900—the preference was increased to 33½ per cent of the duty. Then Germany objected to Canada giving the mother

country an advantage over the manufacturers of the Fatherland, and mulcted Canadian goods entering her borders. She was unwise, because the balance of trade was in Canada's favour in a fiscal fight. The action of Canada in return for German reprisals was prompt. German goods were made subject to a surtax of 33½ per cent, so that three tariffs were operating in Canada—first, the British preferential tariff; secondly, the general tariff, 50 per cent higher than the British preferential tariff, and applying to the United States, France, and all other foreign countries except Germany; and thirdly, the German tariff, which was exactly double the tariff applied to imports from Britain. Naturally these wide divergencies in the scale of duties were reflected in the trade done with the various countries, particularly in the imports from Britain, the United States, and Germany.

This condition was maintained until the new Customs Act of 1907 departed from the percentage rebate system and treated each item in the schedule on its merits. It also introduced an intermediate tariff, and in 1910 fiscal peace was made with Germany, so that the German surtax was dropped and German goods then took their place upon the general tariff. Selecting half a dozen entries at random, this is what we find.

	British Preferential Tariff	Inter- mediate Tariff	General Tariff
	Per cent.	Per cent.	Per cent.
Blankets composed } wholly of pure wool }	22½	30	35
Milk foods ...	17½	22½	25
Table ware of china ...	15	27½	30
Brass wire ..	7½	10	12½
Guns ...	20	27½	30
Silk thread ..	17½	22½	25

It will be observed, in the first place, that there is no uniformity of system in the relationship between the three scales. Also it will be evident that the British preferential tariff is a matter of considerable importance so long as the chief competing countries are upon the highest or general tariff. The only country which is upon the intermediate tariff is France, and her chief products are dissimilar from those of Britain, so that we can afford to see her upon the intermediate platform without misgiving. The United States and Germany are upon the general tariff, and as these countries are the keenest and closest competitors of the British manufacturer in the Canadian market, the preference to Britain is an important factor, and ought to be a more effective one than it has been.

For certain goods, even when of British manufacture, there is no reduction from the general tariff. The list of such goods includes fruit preserved in spirit, tobacco, opium, malt liquors, cider, fruit juices fortified with spirit, spirituous liquors, medicinal and medicated wines, medicinal and chemical preparations, Indian corn, sail twine and sail canvas of hemp or flax, paints and colours ground in spirits, spirit varnishes, lacquers, stereotypes and electrotypes or their shells and matrices, malt, malt flour, extract of malt, skelp iron or steel imported by pipe manufacturers, machinery of a kind not made in Canada for carding, spinning, weaving, braiding, and knitting, iron or steel rails when re-exported, after being re-rolled, and weighing at least 56 lb. per yard when re-rolled.

The Effect of the Preference

Just before the British preferential tariff was born in 1897, the trade of Britain with Canada was on the decline. Some years before, Britain and the United States had each claimed about 40 per cent of Canada's dutiable imports, but in 1897 the share of Britain had fallen to about 30 per cent, and the share of the United States had risen to about 50 per cent. The preferential tariff has not retrieved the situation. It has at most stopped Britain's further decline, and it has arrested the upward tendency of the United States. The statement does not imply that British trade in Canada has not gone up greatly in recent years. All Canadian trade has gone up, and Britain's trade in Canada has gone up very much, but Britain's proportion of Canada's total imports of dutiable goods has hovered just about the 30-per cent line since the preferential tariff came into being. This may seem a meagre result for the great measure of fiscal preference established by Canada and copied by the other great self-governing colonies of the Empire. Measured by the standard of the claims made by its protagonists at its inception, and by the great heralding of welcome with which it was received in Britain, the result is certainly meagre.

But if the preferential tariff of Canada has, when considered as a broadside, been disappointing in its results, examined in detail it exhibits some victories. The goods in which the preferential tariff has undoubtedly benefited British export trade include woollen and linen piece goods and manufactures, leather, glassware and earthenware, carpets, curtains, cordage, jams and confectionery, and gunpowder.

It must be confessed that in these the greater proportion of Canadian imports already came from Britain, so that the preference strengthened an

already lusty arm; it did not reinvigorate a weak one and wrest a victory from defeat. And so there are some classes of merchandise where, in spite of substantial preference to Britain, competing nations have succeeded still. Such goods include silks, gloves and mitts, perfumery, brass and copper goods, electrical apparatus, optical, photographic, and mathematical instruments, clocks, musical instruments, paints and colours, varnishes, aerated and mineral waters.

Inter-Colonial Preference

We have not considered how far the British preferential tariff applies to merchandise produced or manufactured in the other colonies and possessions of Britain. The colonies within the scope of the measure include Bermuda and the British West Indies, British Guiana, India and Ceylon, the British South African colonies within the South African Customs Union, the Straits Settlements, and New Zealand. It will be observed that the great omission is Australia, and less important omissions are Newfoundland, British Honduras, East and West Africa, British islands in the Pacific and Atlantic and other isolated stations and colonies, such as Mauritius, Malta, and Aden, and Crown Colonies, such as Sarawak and Somaliland, where trade with Canada is negligible or non-existent. These exceptional places, though parts of the British Empire, are subject to the duties upon the general tariff scale, not to the intermediate duties.

Tariff Regulations

In order to come within the scope of the preferential scale, goods consigned or sold to Canada must be vouched for in accordance with the official regulations regarding certificate of origin. It is required that invoices from exporters to importers in Canada shall show the marks and numbers on the packages in such a manner as to indicate truly the quantities and values of the articles comprised in each exportation package, the package to be legibly marked and numbered on the outside when of such a character as to enable such marks and numbers to be placed thereon. If in any package any goods are enclosed which are not included in the invoice of such package, the enclosure, to avoid seizure, should be noted on the invoice of the outside package containing the enclosure thus: "3 parcels enclosed" (or as the case may be). Goods certified for entry under the British preferential tariff must be invoiced and packed separately from other goods. Invoices, which must be in duplicate, should be of an approved form, giving in

specific order the marks and number of the packages, the quantities and descriptions of the goods, the fair market value as sold for home consumption, and the price charged to the customer in Canada. If the goods are sent on consignment, all these particulars, except price charged to the purchaser in Canada, must be given. The following certificate must accompany invoice:—

I, the undersigned, do hereby certify as follows:—

1. That I am the (*partner, manager, chief clerk, or other official, giving rank*) exporter of the goods in the within invoice mentioned or described.

2. That the said invoice is in all respects correct and true.

3. That the said invoice contains a true and full statement, showing the price actually paid or to be paid for the said goods, the actual quantity thereof, and all charges thereon.

4. That the said invoice also exhibits the fair market value of the said goods at the time and place of their direct exportation to Canada, and as when sold at the same time and place in like quantity and condition for home consumption, in the principal markets of the country whence exported directly to Canada, without any discount or deduction for cash, or on account of any drawback or bounty, or on account of any royalty actually payable thereon, or payable thereon when sold for home consumption but not payable when exported, or on account of the exportation thereof, or for any special consideration whatever.

5. That no different invoice of the goods mentioned in said invoice has been or will be furnished to anyone.

6. That no arrangement or understanding affecting the purchase price of the said goods has been or will be made or entered into between the said exporter and purchaser, or by anyone on behalf of either of them, either by way of discount, rebate, salary, compensation, or in any manner whatsoever other than as shown in the said invoice.

Dated at, this day of, 19....

(Signature)

The following certificate of origin must be signed as well when the goods are entitled to entry under the British preferential tariff in Canada:—

All the articles included in the said invoice are *bona fide* the produce or manufacture of one or more of the following countries, viz., and a substantial portion of the labour of one or more of such countries has entered into the production of every manufactured article included in said invoice to the extent in each article of not less than one-fourth of the value of every such article in its present condition ready for export to Canada.

(Signature), Exporter.

Under the Customs Act the Governor in Council has power to decree that the preferential tariff shall apply only to goods entering Canada at a Canadian port. The decree has not been promulgated, and it is questionable whether it

ever will be. Its purpose is to divert shipments which at present reach Canada via Portland, Boston, and New York, and to favour Canadian ports such as Halifax, St. John, Sydney, Montreal, and Quebec. Halifax and St. John are winter ports, and are open when the St. Lawrence ports are closed. The objection to the Canadian Atlantic ports is that they are farther removed from the commercial centres of Montreal and Toronto, so that any artificial effort to divert the traffic to Canadian ports would be attended with inconvenience and loss to the trading community, and incidentally to the Canadian consumer. From the point of view of the British manufacturer, the promulgation of the decree would be a matter for regret. It would discount, by the extra haulage charge, some or all of the benefits of the preferential tariff, and would place American competition in even a more favourable position than it now holds.

Franco-Canadian Trade

In tariff matters Canada exercises prerogatives amounting in effect to those possessed by a sovereign state. The Franco-Canadian Commercial Treaty of 1907 marked an important step in international negotiation on the part of a British colony. Under the terms of this treaty, imports from France are placed upon the intermediate tariff scale. In addition to this, a special tariff is granted for certain French products, which include canned vegetables, sardines, wines, books, medicinal and pharmaceutical preparations, and lace and silk fabrics. Some of the special duties on these selected articles are of the same amount as the British preferential tariff, and in three instances the rates are considerably below the British preferential tariff. It is proposed to reduce the preferential tariff to the same scale in these cases; but, in any event, the articles on the special French tariff do not compete with British goods to any extent, so that the preference is not materially affected. French export trade to Canada has been increasing, and in 1908 it reached the high-water mark of £2,050,350. The chief articles in the list include silks, fabrics such as lustres and linings, wines and brandies, perfumery, glass manufactures, furs, nuts, laces, hat trimmings, cream of tartar, and brooms and brushes.

German Trade in Canada

Germany's export trade to Canada, which was formerly double that of France, has not greatly increased in a decade, although meantime Canadian trade has far more than doubled. Now France has

considerably more than Germany. The blight of the surtax was on German trade until its abolition in 1910. The chief articles that Germany supplies to the Canadian market include ready-made clothing, wool and cotton fabrics, silks, engravings, steel beams and sections, cutlery, jewellery, gloves, plate glass, furs, toys, braids, chinaware, hosiery, coal-tar dyes, and lace.

German trade has suffered from the surtax in no department so much as it has in sugar. The trade in German sugar came to about £600,000 annually before the fiscal fight began, but this trade was killed entirely by the surtax, and went to the British West Indies and British Guiana. The Germans are straining every sinew to develop their Canadian trade, and have taken full advantage of the opportunities given them since the surtax was removed.

Commercial Travellers

Commercial travellers visiting Canada will find in some of the provinces special regulations of which they will do well to have knowledge. On entering the Dominion, samples of commercial value are charged with duty, but the British preferential tariff is applied upon declaration by the traveller that the goods are of British manufacture. The traveller is required to produce detailed invoices, showing the wholesale price of each article, for assessment purposes. Members of commercial travellers' associations in Canada, the subscription to which is \$10 (£2, 1s. 1d.) per annum, are allowed special railway facilities, such as a rate of 2 cents per mile on the Inter-Colonial Railway, and 2½ cents per mile on the other railways, besides a free baggage allowance of 300 lb. The conditions applying to commercial travellers in the different provinces are as follows:—

British Columbia.—Licence required. Semi-annual licence to sell liquors or cigars costs \$100 (£20, 11s.), and to sell any other commodity, \$50 (£10, 5s. 6d.). Penalty for selling without a licence, \$100 (£20, 11s.), plus the proper licence.

Manitoba.—No licence or special regulations. Resident agents of British firms have the same taxes upon offices and sample rooms as have residents of the province.

New Brunswick.—No licence or special regulations.

North-West Territories.—Ordinarily no licence or regulations, but travellers taking orders for intoxicating liquors must obtain a licence costing \$210 (£43, 3s. 4d.).

Nova Scotia.—No commercial traveller's licence or tax, except upon travellers soliciting orders for custom-made clothing. Incorporated companies carrying on business in the province are liable to an annual registration fee, and an incorporated company whose travellers regularly solicit orders in the province comes under the provisions of the Act.

Ontario.—No licence or special regulations.

Prince Edward Island.—Commercial travellers not resident in the province must pay \$20 (about £4, 2s. 3d.) per annum, unless they are selling alcoholic liquors, when the tax is \$200 (about £41, 2s. 3d.). Resident agents of banks, insurance companies, and other incorporated companies pay annual taxes varying from £10 to £77, according to the nature of the company's operations.

Quebec.—An Act compelling commercial travellers to have a licence was in force for a few years, but was repealed in 1907, so that there are now no regulations specially affecting commercial travellers.

Canadian Standards

In most of the measures of capacity and in linear measures the Canadian standard is the same as the British Imperial Standard. But the Canadian bushel of wheat, potatoes, and turnips is equal to 60 lb.; of Indian corn it is 56 lb.; of barley it is 48 lb.; and of oats it is 34 lb. The hundredweight has 100 lb. instead of 112 lb., and is sometimes called the short hundredweight. The divisions are usually into 50 and 25 lb., but the word quarter is not generally used. There is a short ton of 2000 lb., which is that generally used, although the long ton of 2240 lb. is common in the import trade from Britain.

The standard of Canadian currency is the gold dollar, which is worth 4s. 1½d. in British money. The British sovereign may be reckoned as being equal to 4 dollars 86 cents. The cent is worth a halfpenny as nearly as possible, and 100 cents equal 1 dollar.

British Trade Representatives.—H. M. Trade Commissioner for Canada, Montreal. *Correspondents of the C.I. Branch, Board of Trade, in British Columbia (Vancouver and Victoria), Manitoba (Winnipeg), New Brunswick (St. John), Ontario (Toronto and Ottawa), and Quebec (Quebec).

Colonial Trade Enquiry Offices.—The High Commissioner for Canada, London; the Canadian Government City Trade Branch, London, E.C., and the Trade Commissions (see p. 142).

CEYLON

Ceylon is an island and a British Crown Colony about 40 miles distant from the south-east of India. The area of the island is 23,330 miles, or not quite half that of England. The population is 4,000,000, only about 10,000 being Europeans. The capital is Colombo (180,000), also the chief port of the island, although some trade is done at Trincomali on the east side of the island. The total tonnage of vessels entering and clearing at the ports of Ceylon is over 13,000,000 annually.

Shipping and Railways

Most of the steamers for Calcutta, and those for Australia via the Suez Canal, call at Colombo (see "India"). There are 570 miles of railway line.

Resources

Sixty-five per cent of the inhabitants of Ceylon are engaged in agricultural pursuits, and 17 per cent in manufactures. The industries of Ceylon underwent a remarkable transformation during the last twenty years of the nineteenth century. Prior to that period coffee-growing was the chief agricultural pursuit in the island; but, owing to the ravages of a fungus, the cultivation of the coffee bean became almost impossible, and the planters turned their attention to tea. At the present time the acreage under coffee is not one-tenth of what it was formerly. In consequence, however, of the fall in the price of tea, the planters are paying more attention to the cultivation of rubber.

The cultivation of the cocoanut palm for the sake of its oil has also engaged the energies of the planters, and the exports of this commodity are expanding year by year. The mining of plumbago is an important industry in Ceylon, and many hands are employed also in excavating for gems, such as rubies, sapphires, and cat's-eyes.

The pearl-fishing business on the north-west coast of the island, formerly managed by the Government, is now exploited by the Ceylon Company of Pearl Fishers, Limited, which in January, 1906, obtained a lease of the fisheries for a period of twenty years.

Of the articles exported from Ceylon, tea heads the list with a total of £5,000,000 value, the United Kingdom taking rather more than half the whole, Russia being the next best customer, the Australian Commonwealth third, Canada fourth, and the United States fifth. Plumbago is an important article of export (£600,000 to £700,000 annually), the United States taking the

greatest quantity, the United Kingdom coming second, and Germany third. Copra or coco-nut pulp sometimes surpasses plumbago in export value, and coconuts, including the desiccated material, are also of importance. Cocoa (the product of the cocoa bean) tends to become a more important article of export, the United Kingdom taking the bulk, and Germany being a rather remote second.

The exports of rubber are rapidly increasing. The United Kingdom is the chief customer for this product, the United States coming second, then Germany, Belgium, and France.

Imports

Of the imports into Ceylon, amounting in value to between eight and nine millions sterling, the United Kingdom sends about one-fourth, Germany, with less than one-tenth of Britain's share, being second, and French possessions and Japan, third and fourth respectively. The principal articles imported into Ceylon are rice, coal and coke, cotton goods, manures, sugar, hardware, salt, fish, and machinery. Ceylon imports cotton goods to the value of over £600,000 yearly, the United Kingdom sending two-thirds of the total, British India about one-fifth, Holland one-twentieth, and Germany scarcely more than one-thirtieth of the aggregate. Of the coal and coke imported, valued at about £900,000, rather more than one-half is obtained from the United Kingdom, and, with the exception of an insignificant quantity from Japan, the remainder is supplied by British India. Practically all the brassware imported is of British or British-Indian manufacture. Of the hardware imported (valued at £150,000) six-sevenths is British-made.

The trade in galvanized sheet iron is almost monopolized by Britain; Germany and Belgium send insignificant quantities; but in hoop, bar, and angle iron Germany sends half as much as this country, and Belgium one-third; while in nails and rivets Germany does more than Britain, and Belgium nearly as much.

Practically the whole of the tea-preparing machinery required by the Cingalese is supplied by the United Kingdom; but in oil-expressing plant Germany runs Britain very close for first place, the United States being a good third. In Ceylon's imports of general machinery Britain has the trade almost entirely in her own hands, the United States sending less than a tenth, and Germany only about a twentieth, of the aggregate.

The import as well as the export trade of Ceylon has been slowly expanding for many years past. The United Kingdom continues to out-distance all competitors in its commercial relations with the colony; Germany, the French possessions in the East, and Japan being the only serious rivals.*

Customs Duties

The Government imposes some export duties. Elephants must pay £13, 6s. 8d. per head, besides requiring a permit from the authorities in the district where they have been captured; plum-bago pays 4d. per cwt.; tea, coffee, and cocoa pay about 1½d. per cwt.; cinchona is charged ¾d. per cwt.; arrack, a domestic intoxicant, is charged 1s. 8d. per proof gallon; chanks, a species of shell, pay 2s. 8d. per 1000; and some varieties of horn pay 18s. 8d. per cwt.

The standard duty on goods entering Ceylon is 5½ per cent of value. There are many exceptions to the rule. The duty-free list is lengthy. It includes iron pigs, bars, sheets, and sections, most classes of machinery, bricks and tiles, glass tiles, aerated-water bottles, coal, coffee, petroleum with a flash-point over 150 degrees, and coconut and fish oils. Cotton and cotton hosiery are charged 1 per cent of value, and the specific duties include 7 rupees per ton on corrugated iron; 12½ rupees per ton on chains, wire, bolts, nuts, and kindred articles; 1·20 cent per cwt. on castor oil; 55 cents per cwt. on non-perfumed soap; 3 rupees per cwt. on salt; 3 rupees per cwt. on bacon and hams; 1·25 rupee per cwt. on salted beef and pork; 3 rupees per cwt. on butter; 50 cents per

cwt. on wheat, rice, and Indian corn, with double duty if in the form of flour; 50 cents per cwt. on dried or pickled fish; 1½ rupee per cwt. on most raw sugars, and 3 rupees per cwt. on all refined sugars; 13 cents per gallon on beer, or 17 cents if in bottles; from 5 to 7 rupees per gallon on spirits; and from 50 cents to 2½ rupees on wines. Certificates of origin for goods entering Ceylon are not required.

Local Regulations

For commercial travellers visiting Ceylon there are no special taxes or regulations. Upon samples of value the amount of duty must be deposited on entry, and is refunded upon leaving. A written guarantee from a well-known local firm, undertaking that the goods will be re-exported, is accepted in lieu of a deposit, and proof of re-exportation must be furnished later, or the local firm must pay the duty.

Weights and measures of Ceylon—the same as those of the United Kingdom—are alone used for the import trade, but the old native standards are still used by the Cingalese in ordinary transactions. The native *candy* or *bahar* is equivalent to 500 British pounds weight, and the *garce* is equal to about 4½ tons.

The currency of Ceylon is the rupee, as in India, and this has now the standard gold value of 1s. 4d. (15 rupees = 1 sovereign); but it is divided into 100 cents (1 cent = 16d.), not into annas, pies, and pice, as in India.

British Trade Representative.—Correspondent of the C.I. Branch, Board of Trade: the Principal Collector of Customs, Colombo.

CYPRUS

The island of Cyprus is occupied by Britain under the terms of a convention with Turkey. It is the third largest island in the Mediterranean, is situated in the Levant, 40 miles to the west of Syria, and, containing an area of 3584 sq. miles, is about twice the size of Lancashire. The total population of the island is over 250,000. The capital is Nicosia (16,000). The chief port is Larnaca, with a population of 9000, but a new port has recently been opened at Famagusta.

Shipping and Railways

The shipping entered and cleared is nearly a million tons annually. Cyprus can be reached by Messageries Maritimes steamers sailing from Marseilles every Thursday, and by weekly steamers

from Alexandria and Port Said. Goods from Britain and America are sent via these ports and transhipped. There are 61 miles of railway and 746 miles of carriage roads open.

Resources

Cyprus is agricultural, one-third of the land possible of cultivation being cultivated, and important irrigation works have been opened under British enterprise. The principal crops are barley, wheat, vetches, oats, olives, cotton, grapes, carobs, fruits, and linseed. Silk is also cultivated. Stock-raising is a considerable industry, and the island contains about a quarter of a million each of sheep and goats, with over 60,000 horses, almost 60,000 cattle, and nearly 40,000 pigs. Cheese is an im-

portant product, and wool and hides are produced in large quantities. Origanum oil has come to be of some importance under the management of the Government Department of Agriculture. Government is also concerning itself with re-afforestation. Copper-mining is prosecuted to some extent, and gypsum, terracotta, and marble are worked. The chief articles of export from Cyprus are carobs, barley, wheat, raw silk, wine, raisins, raw cotton, hides, wool, and oats. Great increases have taken place in the export trade in carobs, wheat, cotton, barley, and silk; these may be considered the developing industries of the island. Of the total exports, which exceed £600,000 annually, Britain takes about one-quarter. A rather larger proportion of Cyprus's exports is purchased by Egypt, and other important purchasers are France, Turkey, Greece, Austria, and Italy. The principal articles that Britain procures from Cyprus are locust beans and barley.

Cyprus has rather an extended scale of export duties, which range from about 2s. 6d. per cwt. on cotton to 6d. per cubic yard upon stone quarried on state lands. The articles subject to export duties include aniseed and linseed; raisins; silk in cocoons, wound, or manufactured; carobs; wines, spirits, and vinegar; lime, gypsum, and asbestos.

Imports

The total imports into Cyprus amount to £600,000 or £700,000 annually, and though the value may not seem large, it indicates steady progress. Of this quantity Britain supplies about a quarter, almost the same proportion as she takes of the exports of the island. Among competitors for the import trade of Cyprus, Britain is easily first, but Turkey and Egypt combined have over one-third of the total. Then come Austria, Italy, France, Germany, Greece, Belgium, and Russia. The trade of the United States is very small indeed, and has been declining.

Forty per cent of Britain's exports to Cyprus

consist of cotton and cotton goods; then come machinery and mill work, iron and metal goods, bags, woollen goods, fish, and railway vehicles. Cottons and machinery have shown great increases.

The general rate of duty on goods entering Cyprus is 10 per cent of value, but to this there are many exceptions. The duty-free list includes machinery and some metal goods, hoops for casks, coal, wheat and flour, much stationery, and medicinal and other oils. Samples of other duties are as follows: iron bars, sheets, and joists, 13s. 6d. per ton; nails, 2s. 2½d. per 280 lb.; window glass, 1s. per cwt.; sole leather, 2½d. per 28 lb.; petroleum, 2d. per gallon; cotton fabrics, from 13s. 1½d. to 26s. 8d. per 280 lb.; cordage, 4s. 5½d. per cwt.; silk thread, 3s. per 28 lb.

No certificates of origin are required for goods imported into Cyprus, except for animals, the certificates of which must show that they come from a non-infected locality. There are special conditions pertaining to silkworm eggs. Invoices must be presented.

Local Regulations

For commercial travellers visiting Cyprus there are no licences or regulations. Duty is charged on samples of commercial value, but is refunded upon exportation.

The weights and measures are the British Imperial Standards, but the old weights and measures still in use are: the *oke* (= 28 lb.), the *cantar* (= 44 okes or 123·2 lb.), the *liquid oke* (= 1½ quart), and the *kilē* (= 1 imperial bushel). British gold and silver coins are legal tender, as are Turkish liras and French 20-franc pieces. Accounts are kept in the local coinage, which is:

$$40 \text{ paras} = 1 \text{ piastre} = 1\frac{1}{2}d.$$

British Trade Representative.—Correspondent of the C.I. Branch, Board of Trade: the Chief Secretary to the Government.

EAST AFRICA PROTECTORATE

The East Africa Protectorate is a British possession running for about 400 miles along the east coast of Africa in a northerly direction from the mouth of the Uмба River and inland to the Uganda territory. It is bounded by German East Africa on the south and by Abyssinia on the north. It is 175,600 sq. miles in extent, and is consequently three times the size of England and Wales. The population is about 4,000,000. The capital of the territory is Nairobi; the chief port

and largest town is Mombasa, with 30,000 inhabitants, of whom about 200 are Europeans; and there are smaller ports at Lamu, Vanga, and Kismayu. Vessels with an aggregate tonnage of about 500,000 enter and clear at Mombasa annually.

Shipping and Railways

Steamship communication between Mombasa and Europe is maintained by the British India

Steam Navigation Company, the Union-Castle Line, the Messageries Maritimes, and the German East Africa Line, and merchandise from America is sent to Europe for transhipment. A railway 584 miles in length runs from Mombasa to Port Florence on Lake Victoria.

Resources

The country is potentially rich in resources which are mainly agricultural. It is being developed rapidly, and it is probable that no part of the Empire will be subject to greater relative industrial expansion. High hopes are entertained that the country may provide a considerable share of the raw cotton required by Lancashire, and a good deal of money is being spent in establishing cotton-growing. The Protectorate also produces coconut, rice, maize, and rubber, but it is yet too young to be a manufacturing country. The annual value of the merchandise exported approaches £500,000, and the value of the water-borne imports is about £800,000. Grain is the chief export, but most of this is taken by Asiatic ports or places on the east coast of Africa. Copra is important with a total annual shipment of about £25,000, most of which goes to France. Hides and skins are exported to the value of about £20,000, most of which is bought by the United States. Of the £20,000 worth of ivory annually consigned abroad, the United States, the United Kingdom, and Zanzibar have each usually taken approximately equal proportions. The United Kingdom is the principal buyer of Protectorate rubber, nearly one-half of the rather variable amount exported being shipped to this country.

There are a few export duties in force in the East Africa Protectorate, and they are the same as those in force in the Uganda Protectorate (see "Uganda Protectorate"). In addition, the export of ostriches and ostrich eggs is forbidden, except under special licence and heavy duties; ostrich feathers may be exported only by an ostrich farmer and from domesticated birds.

Imports

In the import trade the principal item is cotton goods, with an annual value of about £250,000. One-third of this total is generally the production of the United Kingdom, with British India, the United States, and Holland as the other chief competitors. Ready-made clothing is usually bought to the value of over £20,000, one-half being supplied by the United Kingdom, and small quantities by British India, Austria-Hungary, and Germany. Of the iron and steel wares (including cutlery and nails) imported annually, the United Kingdom sends one-half, with Germany next in importance. The imports of spirits and liqueurs, valued at about £20,000, are obtained mainly from the United Kingdom, France being the only serious competitor. The machinery imported is almost entirely of British manufacture, less than 1½ per cent of the total annual importation, which fluctuates very much, being of foreign origin.

Of the £10,000 worth of brass and copper wares imported, the United Kingdom furnishes more than one-half and Germany about one-fourth. The business of supplying agricultural implements to the country is largely in the hands of British manufacturers, for out of a total importation valued at about £20,000 the United Kingdom ships three-fifths, the United States, the next most important contributor, only about 10 per cent.

The trade of the Protectorate is expanding steadily, especially with the United Kingdom, the imports into this country from British East Africa, as well as the exports thereto, showing quite a remarkable growth, and at a much higher ratio of increase than can be claimed by competing countries.

The import duties are the same as in Uganda (see "Uganda Protectorate"). No certificates of origin are required, but invoices must be produced.

There are no regulations applying to commercial travellers. The weights, measures, and currency are as in Britain.

British Trade Representation.—Correspondent of the C.I. Branch, Board of Trade: the Chief of Customs, Mombasa.

FALKLAND ISLANDS

The Falkland Islands are a British Crown Colony in the Atlantic Ocean about 300 miles east from the Straits of Magellan. There are two large islands and about a hundred small ones, most of them uninhabited. The entire area is 6500 sq. miles, and the estimated population is 2300. The only town of importance is Stanley, which is a port and the capital of the little colony. Its population is about 900.

The island group of South Georgia, 1000 miles south-east from the Falkland Islands, is attached to the latter. Its area is about 1000 sq. miles, but the islands are snow-bound and uninhabited.

Shipping

The Pacific Steam Navigation Company have fortnightly sailings from Liverpool on alternate

Thursdays for South American ports, and alternate steamers call at Stanley on both the outward and homeward voyages, so that there is a monthly service of steamers between Britain and the Falkland Islands. There is no direct service with any United States ports.

Resources

The islands are treeless and windswept. A sparse agriculture is wrested from a reluctant soil. The wealth of the colony, such as it is, consists in its sheep. The islands contain about 700,000 sheep, but only 4500 cattle, 3000 horses, and 100 pigs. The value of the annual exports is nearly £250,000, and Britain purchases about seven-tenths of the total. The exports consist of wool, sheepskins, tallow, whale oil, and a few seal-skins. The limited resources of the islands make them of little commercial value, and they are incapable of much development, being far from the nearest mainland. The market may, therefore, be looked upon as at about its maximum.

The revenue of the Falkland Islands takes toll of the hides, sheep, sheepskins, and wool exported from the island. Hides pay 3*d.* each; sheepskins or live sheep, $\frac{1}{2}$ *d.* each; and wool pays about 6*d.* per cwt.

Imports

The imports of the Falkland Islands reach the small total of about £70,000 annually, and of this quantity 90 per cent is purchased from Britain. The colony purchases all the requirements of a small community whose sole domestic resources consist of stock animals and a little agriculture. The most important single article in the import list is wearing apparel, and this item seldom exceeds the value of £4000 for any year.

The only duties upon goods entering the Falkland Islands are upon alcoholic beverages and tobacco. Beer is subject to 6*d.* per gallon, or 1*s.* per dozen bottles; spirits, 12*s.* per gallon; wines in the wood, 2*s.* per gallon; British wines in bottles, 1*s.* 6*d.* per gallon; other wines in bottles, 2*s.* 3*d.* per gallon. Tobacco pays 2*s.* per lb. if raw, 3*s.* per lb. if manufactured, and 5*s.* per lb. if in the form of cigars. No certificate of origin is required for goods imported into the Falkland Islands, but the country of origin must be stated on the entry forms.

There are no taxes, licences, or regulations affecting commercial travellers who may visit the colony. The weights, measures, and currency are the same as in Britain.

British Trade Representative.—Correspondent of the C.I. Branch, Board of Trade: the Colonial Secretary, Stanley.

FEDERATED MALAY STATES

The Federated Malay States, which form a British Protectorate, comprise Perak, Selangor, Negri Sembilan, Pahang, and Trengganu. We may consider them commercially as one territory. The aggregate area is 31,000 sq. miles, which is a little greater than Scotland. The total population is about 800,000, of whom about 1500 are white, and almost half of the total are Chinese, who work on the tin mines. The largest town in the States is Kuala, in Selangor, with a population of about 35,000.

Shipping and Railways

There are 428 miles of railway in the States, all under government. There is also a short length of private railway. Coasting vessels maintain a shipping service between these States and Singapore, to which port consignments are transhipped.

Resources and Trade

From this territory is produced the bulk of the tin known as "Straits tin", while the cultivation

of rubber and the growing of coconuts finds employment for a large number of the inhabitants. Gold and timber are other important resources. The country is highly mineralized, but tin and gold are the only minerals worked. The other minerals include lead, iron, copper, silver, zinc, plumbago, and manganese.

The information available regarding the trade of the Federated Malay States is unsatisfactory, in that the greater part of both the import and export trade is recorded to the credit of Singapore, which is only a port of transhipment. According to official statistics, more than half the exports go to Singapore, and more than half the imports come from that port. The exports have been worth about £9,000,000 for some years, and the imports rather more than £6,000,000. Nine-tenths of the total value of exports is for tin. The other chief articles of export are rubber and gutta percha, sugar and tapioca. The States possess great agricultural possibilities, rubber and coconuts being the most promising; but enterprise is tardy in developing the resources of the country.

The chief articles of import are rice, petroleum,

opium, cotton goods, pigs, flour, sugar, hardware, and machinery.

Customs Duties

The Customs duties are principally on exports. Coffee is duty-free, or pays duty of from 1 to 2½ per cent of value, according to the price of the commodity in the Singapore market. Coconuts, tapioca, gutta percha, gambier, pepper, and sugar also pay small export duties. There are import duties only on opium, spirituous liquors, and tobacco; but in the case of the last-named, duty is levied only in the state of Pahang. Certificates of origin are not required for goods imported into the Federated Malay States, and the production of invoices is not necessary.

Local Regulations

In the Federated Malay States there are no regulations specially affecting commercial travellers. On the railways commercial travellers are allowed 400 lb. of personal luggage free—three times the ordinary allowance to first-class passengers; excess luggage and cloak-room rates are only half the ordinary rates.

The currency of the Federated Malay States is the same as in the Straits Settlements—a silver dollar having the fixed value of 2s. 4d. The weights and measures are the same as in the Straits Settlements.

British Trade Representative.—Correspondent of C.I. Branch, Board of Trade: the Inspector of Trade and Customs, Kuala Lumpur.

FIJI

Fiji is a British Crown Colony in the South Pacific consisting of over 200 islands, of which only about 80 are inhabited, and the nearest of which is 1200 miles from New Zealand. The two principal islands are Viti Levu, with an area of 4100 sq. miles, and Vanua Levu, with 2432 sq. miles. The total area of the group is about 7435 sq. miles, which is just about the size of Wales; the population is 130,000, of whom 2500 are Europeans, 17,000 Indians, 4000 Polynesians with Papuan intermixture, and the remainder natives of the various islands. The capital of the colony and principal port is Suva, in Viti Levu, with a European population of about 1200.

Shipping

Fiji is regularly served by steamers plying between New Zealand, Australia, Samoa, Honolulu, and Canada. Exclusive of coasting trade, the shipping entered and cleared is about 500,000 tons. There are no railways in the colony, but communication with the islands is kept up by steamers trading regularly between them, while a system of steam launches is in operation. These run daily from Suva to Rewa and Navua, and to certain other places at less frequent intervals. Suva is also connected with Lautoka by telephone, and with Levuka by telegraph.

Resources

The industries of Fiji are mainly agricultural. About 50,000 acres of land are under sugar cane, which, from being of much less importance, has come to take a leading place. Judged by the

standard of acreage, the next most important products are coconuts, bananas, rice, and maize. Other agricultural products, no one of which claims more than 300 acres, are tobacco, yams, tea, pine-apples, and peanuts. Attempts to grow cotton have been abortive.

Stock-raising is followed to a limited extent, and the colony possesses between thirty and forty thousand cattle, about 16,000 goats, and a few horses and sheep. The principal exports of Fiji are sugar (which represents almost three-fourths of the aggregate export value), copra, bananas, tortoise shell, bêche-de-mer, peanuts, and a small quantity of vanilla. The total value of Fiji exports comes to almost £900,000 annually, but of this only a few hundred pounds' worth come to Britain, the great Australasian colonies offering a nearer and more convenient market. Almost the only export to Britain consists of nuts for oil expression.

The only export duty in force in Fiji is that upon British sterling silver coin when exported in excess of £10 value, in which event it is made to pay 2½ per cent of its value.

Imports

Of the total imports of Fiji, which aggregate about £700,000 annually, Britain supplies less than one-twelfth part, as the British colonial markets nearer the islands are from their position and their communications better fitted to cater for the Fiji requirements. But part of the balance, although not entered in returns as British produce and manufactures, is undoubtedly of British origin. The chief exports from Britain to

Fiji are cotton, machinery, iron, and wearing apparel.

The general duty on goods entering Fiji is 12½ per cent of the value of the goods. A fair proportion of the imports is duty-free, the free list including coal, machinery, railway material, agricultural implements, drain pipes, galvanized-wire fencing, and boiler plates. To many classes of goods specific duties apply, and in these are included cordage and rope, ½*d.* per lb.; twine, 2*d.* per lb.; pig iron and wire rope, 20*s.* per ton; iron rods and sheets, 30*s.* per ton; galvanized sheets, 60*l.* per ton; galvanized tanks, 10*s.* each; black tanks, 5*s.* each; anchors and chains, ½*d.* per lb.; nails, 3*s.* per cwt.; paper bags, 3*s.* per cwt.; bricks, 5*s.* per 1000; kerosene over 100° flash, benzine, and gasoline, 4*d.* per gal.; turpentine, 1*s.* per gal.; candles, salted beef and pork, dried and pickled fish, 1*d.* per lb.; bacon and ham, 2*d.* per lb.; salt and rice, 2*s.* per cwt.; sugar, 2*s.* 4*d.* per cwt.; coffee, 28*s.* per cwt.; wheat and corn, 6*d.* per bushel; flour, 20*s.* per 2000 lb.; tea, 6*d.* per lb.;

beer, 1*s.* per gal. or 2*s.* per dozen bottles; spirits, 14*s.* per gal.; wines, 2*s.* to 6*s.* per gal.; raw tobacco, 1*s.* per lb.; manufactured tobacco, 3*s.* per lb.

Certificates of origin are not required for general goods imported into Fiji, but the country of origin must be stated on the bill of entry. Colonial wines require a certificate of origin, and imported animals require a stock certificate.

Local Regulations

For commercial travellers visiting Fiji there are no taxes or regulations. Duty is charged on samples of value, but 75 per cent of the amount paid is refunded if the goods are taken out of the country again within three years.

The weights, measures, and currency are those of the British Imperial system.

British Trade Representative.—Correspondent of the C.I. Branch, Board of Trade: the Assistant Colonial Secretary, Suva.

GAMBIA

Gambia is a Crown Colony situated at the mouth of the River Gambia, on the coast of West Africa towards its northern extremity. The area of the colony proper is only a few square miles; but, including the Protectorate, the administration extends to about 4000 sq. miles, or twice the size of the county of Norfolk. The population is 155,000, chiefly native Africans. The African Liners, from Liverpool, call at the capital, Bathurst (9000). There are telephone, but no telegraph lines and no railway. Bathurst is, however, connected with Cape de Verde and Sierra Leone by submarine cable. Vessels with an aggregate capacity of about 500,000 tons enter and clear annually.

Resources

Gambia is a purely agricultural colony, its chief products being ground nuts, hides, palm kernels, rubber, wax, and ivory. The total value of the exports of articles of domestic production is rather less than £300,000 per annum, and imports of all kinds amount to about £450,000.

The shipments of ground nuts, the chief item of the trade of the colony, approach £300,000 per annum, France taking nearly the whole, with Holland, Belgium, and the United Kingdom small purchasers. There is an export duty of 6*s.* 8*d.* per ton of ground nuts. Of the £5000 worth of hides exported, all but about 5 per cent are shipped to the United Kingdom. The rubber trade is only

in its infancy at present, but the few hundreds of pounds' worth exported go to the United Kingdom. All the palm kernels exported are consigned to Britain, and of the wax sold for oversea destinations the United Kingdom takes three-quarters, the remainder going to France.

Imports

Among the imports into Gambia, cotton manufactures are far and away the largest, the annual value being almost £100,000. Of this branch of business the United Kingdom secures nine-tenths, and France and Germany share the remainder. About £20,000 worth of hardware and cutlery is imported yearly, six-sevenths falling to the share of the United Kingdom. Some £2000 worth of machinery is purchased yearly, France supplying about half of it, and the United Kingdom rather less. Haberdashery imports total about £4000, the United Kingdom sending three-fifths, and France, French possessions, and Germany dividing the remainder. Sugar worth over £5000 is consigned yearly to Gambia, almost the whole being supplied by France.

Since the beginning of this century Gambia has more than doubled the value of her exports, and achieved a very similar result in her import trade. Of the total import trade of the colony the United Kingdom does nearly one-half, France being second with one-third to its credit, and Germany

third with a very small percentage. Of the exports of the country France takes about three-quarters of the total, while Holland and the United Kingdom divide the remainder. The general rate of import duty in Gambia is 5 per cent *ad valorem*, but a few articles have specific duties, and machinery and some other articles are free. No certificate of origin is required, except for sugar. Original invoices and shipping documents must be produced.

Local Regulations

Commercial travellers visiting Gambia are subject to no special regulations, but resident agents

must take out a licence in accordance with the nature of their business. A licence to trade at a factory or station where produce is collected for direct export costs £10, or where the agent employs six or more sub-agents the fee is the same. There are special licences for the sale of spirits, arms, and ammunition. Samples are generally allowed to be imported and exported free from duty.

The monetary system and the weights and measures are as in Britain.

• *British Trade Representative*.—Correspondent of the C.I. Branch, Board of Trade: the Receiver-General, Customs Department, Bathurst.

GIBRALTAR

Gibraltar, a rocky promontory at the south of Spain, is governed as a Crown Colony. It has an area of $1\frac{3}{4}$ sq. mile, and a civil population of 18,600, mostly of Genoese extraction. Gibraltar is a free port, and the centre of an important trading business between the United Kingdom and Northern Africa. The shipping entering and clearing is over 10,000,000 tons annually.

Shipping

Nearly all the Mediterranean and Eastern steamship lines sailing from British ports call at Gibraltar. Steamship service with the United States is given by the Dominion Line (from Boston) and by the North German Lloyd Line (from New York), but goods are frequently sent by Liverpool and transhipped.

There is no railway, the nearest railway being across the bay, at Algeciras in Spain, which is reached by steamer in half an hour.

Gibraltar has no natural resources, and therefore nothing to export. At the same time "the Rock" is a port of shipment, and some of the products of Spain and of Northern Africa find their ultimate markets after having been shipped at Gibraltar, and therefore figure as exports from Gibraltar. Such exports to Britain are of the value of about £40,000 annually. They consist

chiefly of eggs, hides, dried fruit, and a little cork.

Imports

British exports to Gibraltar are of the value of over £600,000, about one-third of which is for coal. The next most important items in the list are beer, cotton goods, electrical apparatus, machinery and mill work, butter, metal goods, apparel, meal and flour, soap, haberdashery and millinery, leather goods, tobacco, woollens, sugar, and confectionery.

Customs Duties

The only duties on goods entering Gibraltar are on alcohols and tobacco, the rates being: spirits, 4s. per gallon; wine, 4d. per gallon or 1s. per dozen bottles; beer, $\frac{1}{2}$ d. per gallon; and tobacco, in any form, 2d. per lb. Certificates of origin are not required for goods imported into Gibraltar, and the production of invoices is not demanded.

There are no licences or regulations affecting commercial travellers.

The British weights and measures and currency are standard, but Spanish money circulates freely.

• *British Trade Representative*.—Correspondent of the C.I. Branch, Board of Trade: the Colonial Secretary, Gibraltar.

GOLD COAST COLONY

The Gold Coast is a Crown Colony on the coast of West Africa, forming part of the Gulf of Guinea, along which it stretches for some 350 miles. The area of the colony, including Ashanti and the Northern Territories, is about 120,000 sq. miles, or more than twice the size of England and Wales.

The population of 1,700,000 consists mainly of native Africans, the European element not exceeding 2000. The principal centres of population are Accra (15,000), Elmina (4000), Cape Coast Castle (29,000), and Kumasi, the capital town of Ashanti (7000). The chief port is Sekondi, and

from that place to Kumasi, a distance of 168 miles, a government railway now runs. Over 2 million tons of shipping arrive at and leave the Gold Coast annually.

Shipping

The Gold Coast ports are reached by the steamers of the Woermann Line sailing from German and Belgian ports via Dover, by the various services of the African Line from Liverpool, and by the Fraissinet Line from Marseilles. There is no direct service from the United States of America.

Resources

The leading productions of the Gold Coast Colony are palm oil, palm kernels, rubber, cocoa, and gold. A little cotton is also grown, and the quantity is likely to increase considerably in the near future. Cocoa is exported annually to the value of over £500,000, the United Kingdom purchasing about half the total quantity, and Germany about one-third. Raw rubber comes next with some £300,000, the United Kingdom taking nine-tenths, and Germany the remainder. Of the shipments of palm oil, valued at over £120,000, two-thirds are consigned to the United Kingdom, and most of the remainder to France and Germany. Palm-nut kernels figure at £80,000, Germany purchasing three-fourths, with France and the United Kingdom subordinate. The value of the gold and gold dust exported exceeds £1,000,000, the entire quantity being consigned to the United Kingdom.

Imports

Respecting imports, cotton piece goods occupy the premier position with an aggregate value of

almost £300,000, six-sevenths being the manufacture of the United Kingdom, about one-tenth the product of German looms, and insignificant quantities coming from Holland and other foreign countries. Of other cotton goods the total importation amounts to £80,000, supplied chiefly by the United Kingdom, with small consignments from Germany and Holland. The Gold Coast imports mining machinery to a value approaching £200,000 annually, the whole, with the exception of 5 per cent, emanating from Britain. About 60 per cent of the £50,000 worth of hardware arriving in the colony is of British manufacture, and of the £80,000 worth of wearing apparel imported, the United Kingdom supplies nine-tenths. During the first decade of this century the exports of the Gold Coast Colony nearly trebled in value, and the imports almost doubled. The United Kingdom has outdistanced all competitors in both departments of trade, Germany ranking second.

Generally speaking, the duty on merchandise entering the country west of the River Volta is 10 per cent of value, and east of the River Volta the duty is 4 per cent. Some articles are subject to a specific duty, and there is a long free list, chiefly articles for use in industry, agriculture, and the public service. No certificates of origin are required with imports, but invoices may be called for.

Local Regulations

Commercial travellers visiting the Gold Coast require no licence, are subject to no special regulations, and enjoy no special railway privileges. No duty is charged on *bona fide* samples, even if of commercial value.

The currency, weights, and measures are the same as in Britain.

British Trade Representative.—Correspondent of the C.I. Branch, Board of Trade: the Colonial Secretary, Accra.

HONG KONG

Hong Kong is an island contiguous to the coast of China and located near the mouth of the Canton River, 90 miles to the south of the town of Canton. It has been a British Crown Colony since 1841. Comprised in the jurisdiction of the Governor is the peninsula of Kowloon on the mainland. The area of Hong Kong itself is about 30 sq. miles; but, including the section of the mainland leased from China, the total territory now amounts to 390 sq. miles.

The population of Hong Kong Island is 336,000, consisting mostly of Chinese, with about 12,000

Europeans and Americans. Fifty per cent of the white population is British and 25 per cent Portuguese. The total population of the colony, including the mainland territories, is estimated at 420,000. Victoria is a free port, and over 20,000,000 tons of shipping is entered and cleared annually.

Shipping

There is a fortnightly service of steamers between London and Hong Kong by the P. & O. Company, the Japan Mail Line, and the Glen

Line. The Messageries Maritimes steamers also perform a fortnightly service, and the North German Lloyd, the Austrian Lloyd, and other lines call. (For steamer service between United States ports and Hong Kong, see "China" in Chapter VII of this Part.)

• Trade

Hong Kong has no Customs duties, and there are no official statistics of trade either outwards or inwards. The trade is virtually part of the trade of China, for which the port serves as a point of exit and entry. Certificates of origin are not required for goods imported into Hong Kong, except in the case of sugar. Special permits are required for the importation of opium. Estimates made by members of the mercantile community place the annual value of the imports at about £4,000,000, and of the exports at about £2,000,000 sterling. The export trade in Chinese tea and silk is to a great extent in the hands of Hong Kong houses. The chief merchandise passing through Hong Kong consists of opium, flour, sugar, salt, oil, earthenware, amber, cotton goods, sandalwood, rice, coal, timber, hemp, kerosene, ivory, vegetables, and live stock. The imports of Britain from Hong Kong are of the annual value of over £600,000, of which 20 per cent represents silk. The other principal articles are drugs, preserved ginger, tin, feathers, tea, canes, and bristles. These articles must not be regarded as the products of Hong Kong, but of China and the islands that make Hong Kong the channel through which their exports reach the markets of the world.

Imports

Regarding the imports of Hong Kong, full statistics are not preserved, so that we cannot appor-

tion the share of trade possessed by the several competing countries. But we can see what exports from Britain enter Hong Kong. The total value is well over £3,000,000 annually, and of this amount over one-third is for cotton piece goods. Woollen piece goods are next in importance, although their value is only one-fourth that of the cotton piece goods. Then come metal manufactures, followed by machinery, tobacco, condensed milk, coal, rubber goods, painters' colours, medicinal preparations, cotton yarns, beer, spirits, and soap. Recent years have witnessed important increases in the departments of woollen and worsted yarn, machinery, soap, apparel, medicines, umbrellas, and tobacco; and decreases in rubber goods, cotton yarn, haberdashery and millinery, china and earthenware. Some industries have been established in Hong Kong, and show progress owing to the low price of the labour available and the ready market offered by the central position of the place. These manufactures include cotton-spinning, sugar-refining, rope-spinning, and cement manufacture. Ship-repairing is also of some importance.

Local Standards

In Hong Kong the weights and measures are the same as those in the Straits Settlements (see "Straits Settlements"). But, unlike the Straits Settlements, the currency has no fixed gold equivalent, and the Mexican, British, and Hong Kong silver dollar, which is current and legal tender, fluctuates in the neighbourhood of 2s. 2d. value.

British Trade Representative.—Correspondent of the C.I. Branch, Board of Trade: the Harbour Master.

INDIA

British India has an area of 1,098,000 sq. miles, and the feudatory native states have an area of 675,000 sq. miles. From the commercial point of view India may be regarded as one market with a total area of 1,773,000 sq. miles, which is greater than the area of Europe without Russia. The entire population is about 300 millions, of whom only 10 per cent are urban; so that we have in India a rural population vastly greater in proportion to the total than is found in any white country.

The five great ports and importing centres are Calcutta, Bombay, Madras, Karachi, and Rangoon. Through the first two about three-quarters of the

import trade of the colony flows. It is enough for our purpose to know that Calcutta and Bombay have each a population of about a million, that Madras has about half a million, Karachi about 120,000, and Rangoon about a quarter of a million.

Shipping and Railways

Steamship communication between Britain and India is rapid and regular. The P. & O. mail boats sail weekly from London to Bombay, and fortnightly to Calcutta. There is also a weekly service from Brindisi by the P. & O. boats, which connect at Port Said with the out-

ward steamers from London. The same company also maintains a weekly service between Marseilles and Bombay. The London to Bombay steamers occupy 21 days on the journey. Via Brindisi the time is 14 days, and via Marseilles 15 days.

The Messageries Maritimes Company runs a monthly service from Marseilles to Bombay (16 days); the Austrian Lloyd steamers sail two or three times monthly from Trieste for Bombay (16 days); and the vessels of the Navigazione Generale Italiana Company leave Genoa once a month for Bombay (19 days).

Calcutta is about 32 days' sail from London by the P. & O. boats, sailing every alternate Saturday, or by British India Company steamers, leaving London fortnightly. The latter vessels also call at Madras. There are fortnightly sailings from Liverpool to Calcutta, via Colombo, by the Ellerman Line, and about every ten days from Liverpool to Bombay and Karachi by the City and Hall Lines. The Anchor Line steamers also leave Glasgow and Liverpool fortnightly for Bombay and Karachi (the journey occupying about 25 days from Liverpool, and 10 days longer from Glasgow), and Liverpool for Calcutta about every three weeks. The Anglo-Algerian Steamship Company have a monthly service of steamers from Newport (Mon.) and London to Bombay, Karachi, and Marmagoa. A Clan Liner leaves Birkenhead every 10 days for Bombay and Calcutta, and Messrs. Gellatly, Hankey & Company run a monthly service from London to the same ports. Calcutta may be reached in about 36 hours from Bombay by special weekly mail train of the Great Indian Peninsula Railway Company, running in connection with the P. & O. boats to Bombay. Mail trains also run from Bombay to Madras (26 hours), and Bombay to Umballa (32½ hours), in connection with the steamboat arrivals each week. There is also intercommunication by water by the steamers of the British India Steam Navigation Company between Bombay and Karachi every Friday, and Bombay, Madras, and Calcutta fortnightly, calling at all important intermediate ports on the Malabar and Coromandel coasts.

Transport from the United States to the ports of India is maintained chiefly by the steamers of the Anchor Line via Glasgow, by the Bibby Line via Marseilles, and by the Bucknall Line, with an irregular direct service.

Timber, Agriculture, and Stock

The forest area of India is about 130,000 sq. miles. The most valuable timbers are teak, sal or saul, and deodar, the first-named growing luxu-

riantly in Central and Southern India and Burma, the second being the chief forest tree of the Himalayan slopes, and the deodar being abundant in the North-western Himalayas. The wood exported reaches the annual value of over £500,000, a much-reduced figure from former values. Timber-cutting has been restricted, and in every province a few of the more valuable trees are declared as reserved, and are felled only under special circumstances. Over 80,000 sq. miles of forest land is reserved, and the protected or partially reserved forest area is 30,000 sq. miles additional.

Agriculture is the staple industry of India. Extensive irrigation works have made productive many millions of acres which needed only water to render them valuable. The area under crops is 214 millions of acres (about 330,000 sq. miles), which is quite one-third of the net area surveyed. Rice is the most important crop, covering one-third of the entire cultivated area, and wheat covers one-third as much area as rice. Then there are several varieties of millet, which is the staple food of a great proportion of the population. Barley and maize each claim between 6 and 8 millions of acres. Of the non-cereal crops, sugar is the most important, although the quantity produced is not nearly sufficient for domestic consumption. Tea is the chief crop grown for export, and coffee has less than one-fifth the acreage of tea. The cultivation of oil seeds engages 14 million acres, and the most important seeds are rape and mustard, sesame, and linseed. The great fibre crop is cotton, which has an acreage about equal to oil-seed crops. Then comes jute, with only a quarter the area of cotton. Tobacco and fodder complete the list of the really important Indian crops.

There are more than 100 million head of cattle in India, and they are used as draught animals in every province but Sind and the Punjab, where camels are used instead. Cattle are bred all over India, and horses chiefly in the northern parts, which are more suitable than the hotter regions. There is a public veterinary department which attends to the improvement of the breed of horses, mules, and cattle, and to the prevention of disease among domestic animals. The number of sheep and goats in the country is 40 millions; of horses, ponies, mules, and donkeys, about 2½ millions; and of camels about a quarter of a million. From the stock raised comes the supply of hides for the export trade, and the value exported during the latest year for which figures have appeared was over £10,000,000, of which about three-fourths was sent out raw and the remainder dressed and tanned.

Minerals

The minerals worked on a large scale in India are few in number. When we have mentioned coal, salt, manganese ore, gold, petroleum, mica, rubies, and jade-stone, we have exhausted the list. The most important is coal, yet the total annual coal production is only a little over 11 million tons, and its value £2,600,000. We must, however, look not only upon the latest figures, but upon the progress and development which is attending coal-mining. Both tonnage and value of output have more than doubled since the beginning of the century, and the progress, though not phenomenal, is steadily continuous. Nearly all the coal is raised in the province of Bengal. There is a fair quantity—about 7 per cent of the total—raised in Hyderabad, but the production in the other states is unimportant. Gold-mining is important, and the output, though stationary during the latest year for which figures are available, showed that the value was about the same as that for coal. The great gold district of India is in Mysore. Iron is abundant in many parts of India, but the quantity worked is small. Manganese ore is found in the Central Provinces and in Madras, but the value of the total annual output is little in excess of half a million sterling. The industry is comparatively new, but progress has been very great.

Salt is mined chiefly in Madras, although Bombay, Sind, Northern India, and Burma contribute fair proportions of the annual output of about £400,000. Petroleum is chiefly found in Burma and Assam; the total value of the recovery has been about £600,000 for some years. The precise value of the mica mined is not known, but the export value is about a quarter of a million sterling. Bengal is the principal mica province, and contributes 75 per cent of the total, while the remainder comes from Madras. Rubies come exclusively from Burma, and the annual value is over £100,000. Jade is also a small industry, and is practically confined to Burma. The export value is about £75,000 annually. Such are the mineral resources of India at present being exploited on a comparatively large scale. They are infinitesimal in comparison with the potential resources. Although India is not one of the highly mineralized countries—at least so far as is known at present—yet the annual value of the output is small compared with what it might be under enterprise and capital wisely guided.

Manufacturing Industries

Of the manufacturing industries introduced into India by white enterprise, the textile group are by

far the most important. There are more than 200 cotton mills and over 40 jute mills in operation, giving employment to nearly 400,000 operatives. In addition to these there are 6 woollen mills, 962 cotton ginning, cleaning, and pressing mills, 61 silk filatures, and 11 carpet factories in operation. The other manufacturing industries, which are less important than the textile trades, include paper mills, arms and ammunition factories (owned and run by Government), breweries, indigo factories, foundries, lac factories, rice mills, tanneries, tile works, and timber mills. Some of these industries are making rapid strides forward, notably the tile factories, tanneries, and foundries. In some the reverse tendency is manifest, and these include carpet and indigo factories. The latter trade is slowly declining in competition with the German manufacture of coal-tar dyes. Of the other trades, the tendency is not pronounced either to increase or decrease. The manufacturing development of India of the immediate future lies in its cotton and jute. In both the tendency is economically sound, because "the factory to the field" is business policy when the nature of the trade permits it. The jute princes of Dundee have reared in India a centre of productive activity that competes severely with the city by the Tay. When the native Indian becomes fairly adept at the mechanical processes of manufacture, his labour produces merchandise at a cost with which white labour cannot compete; and the Indian Customs tariff, though low, helps native production appreciably.

Exports

The overland export trade in merchandise is small, being of the annual value of only about £4,000,000. Over half of this is European merchandise exported into the Asiatic countries that lie behind India. The value has been practically stationary for quite a number of years.

Of Indian produce and manufactures exported overland, the chief commodities are grain, live animals, metals, provisions, salt, silk, spices, tea, and tobacco. The oversea export trade is of much greater importance, and concerns us more immediately. The oversea exports of merchandise reach about £120,000,000 annually. The most important class is cotton—raw, yarn, and cloth—with a value of 22 millions. Next comes jute, both in its raw state and manufactured into gunny bags. The yearly value is about 18 millions sterling, over one-third of it being for manufactured jute. The other exports in order of value are rice, hides, seeds, tea, wheat, opium, lac, and wool. The annual value of each one of these is

over £1,000,000. The export articles that have shown the most rapid recent increase are jute, cottons, hides and leather, lac, tea, and wool. The trade in seeds and wheat has been decreasing, and that in rice and opium is stationary.

Britain is the chief purchaser of Indian exports, the trade consisting chiefly of jute and jute goods, wheat, tea, leather, raw cotton, rice, lac, flax, cotton seed, and wool. Practically all the jute for British mills—nearly all used in Dundee—comes from India. India is second on the list of the wheat supply markets of Britain, being beaten only by the Argentine Republic, and sending about 50 per cent more wheat than Canada. Nearly half the undressed leather coming into the United Kingdom is Indian. India provides about 60 per cent of British tea imports—eight times as much as China and twice as much as Ceylon. The value of Indian exports to Britain is well over 30 millions sterling, and is between 25 and 30 per cent of the total. Britain sells to India twice as much as she purchases from her. The next best customers of India are Germany, China, France, the United States, Belgium, Japan, Straits Settlements, Ceylon, Austria, and Italy. Trade with both Germany and the United States has increased enormously since the beginning of this century. India sends far more to these countries than she purchases from them. Surveyed as a whole, Indian export trade is making great strides, and promises to maintain its upward tendency.

Upon certain goods there are export duties, but in all cases the duties are exceedingly small and incapable of restricting export. They are revenue, not protective duties. Rice, whether husked or unhusked, and including rice flour but not including rice bran or rice dust, must pay a duty of $4\frac{1}{2}$ annas per cwt., which is equal to $4\frac{1}{2}d.$ per cwt.; tea pays $\frac{1}{4}$ pie per lb., equal to $2\frac{1}{2}d.$ per cwt.; and lac pays 10 rupees per 100 viss, equal to about $3s. 4d.$ per cwt.

Imports

In considering the importing trade of British India we may, for the purposes of our study, disregard the imports that enter overland. Such imports are of the average aggregate annual value of £5,000,000. They consist of the produce of Afghanistan, Tibet, and the other countries delimiting India—principally grain, wool, animals, spices, fruit, hides, oil seeds, fish, tobacco, and timber—all such as do not compete at all with British exports to the great Eastern Empire. We are concerned with the imports by sea, and with the nations that compete with Britain in the Indian purchasing market. We may also disregard

the gold and silver bullion and specie, as only merchandise is within our purview.

The sea imports of British India have an annual value of about 120 millions sterling. The figure looks large, but, examined closely, it is relatively small, and is eloquent of the exceedingly low purchasing power of the average individual in the colony. The value of the imports into Canada is five-eighths as much. Canada has a population of about 6 millions against India's 300 millions. The *per capita* import bill of the Canadian is £12, 10s.; the *per capita* import bill of the Indian is 8s. If India imported as much value relatively as Canada, her imports would reach the total of about 3800 millions sterling annually. If Canada's imports were only equivalent *per capita* to those of India, their annual value would be only $2\frac{1}{2}$ millions. No fact could more strikingly illustrate the poverty of India, and the enormous increase to which her trade will be subject as she rises in the scale of social comfort and living towards the standards of the white colonies. If in comparison we had applied the gauge of Australian trade, the result would have been about the same; and if we had applied that of South African trade, the discrepancy would have been much greater. However the rule is applied, the result is emphatic testimony to the small actual value of the individual inhabitant of India as a purchaser of imported merchandise.

The wages of a native worker are very low; in some districts an able-bodied agricultural labourer earns no more than 3 rupees a month, which means 1s. per week. In other districts 10 rupees a month may be earned, but the average is between 5 and 6 rupees a month; and there are almost 90 millions of the population actually engaged in the work of agriculture, while the total number of persons supported by agriculture is nearly 200 millions! When food has been purchased out of this poverty, little remains for other articles of necessity and luxury. Native craftsmen earn more than the pittance mentioned, averaging about 15 rupees a month, and masons, carpenters, and blacksmiths in Bombay may make as much as 35 rupees a month; but even so, the standard of living and the spending power of the native are very low. It only remains to be said that there is a distinct tendency towards higher wages among the worst-paid occupations, although wages of artisans and craftsmen rather tend the other way, on account of the labour supply being in excess of the demand as the lower-paid members of the community advance into skilled labour.

Almost one-third of the value of Indian imports is represented by cotton and cotton manufactures. Practically the whole bulk of the cotton manu-

factures go from Britain, and the trade has shown considerable increase during recent years. It will probably expand considerably in the near future, but it cannot do so indefinitely. The tendency that takes the factory to the cotton field is bound to work its effect. As a manufacturing country, India is certain to develop along the line of spinning and weaving its own fibres, and the hold of the British cotton mills upon the market of India, though seemingly firm and well established, is tentative only. Domestic production will fill an ever larger share of domestic demands.

Sugar is the next most important article of merchandise that India buys, and about half of it goes from the British colony of Mauritius. Next on the list comes machinery and plant, the annual import value of which is nearly £4,000,000. In this department great expansion may be looked for. The causes that will operate against the British cotton factory will carry work and wealth to the British textile engineering industry. India is far from the position of being able to make her own machinery, and the increase in number of the cotton mills and factories will occasion great demands for machinery and plant. This side of Indian development is even now evident, and is destined to be more pronounced as the century grows older. The same remarks, although in a modified degree, may be applied to the importation of railway plant and rolling stock. In this class half of the imports is for government railways, and, with a government, considerations other than the cheapest market may weigh and encourage manufacturing enterprises. The iron and steel imports aggregate about 6 millions sterling annually, and nearly all goes from Britain. The value has doubled in a decade, and is telling evidence of the capital expenditure upon the inauguration of industrial enterprises in India. These are the principal classes of merchandise entering India of which we need take cognizance. The remainder are chiefly ordinary merchandise such as glassware, hardware, leather goods, paints, soap, tobacco, and other articles that enter into general consumption, and are not indicative of any general movement in Indian development.

Coming to the comparative place of the different nations in the Indian market, we find that Britain has maintained her proportion of the total fairly well during many years, having consistently accounted for about two-thirds of the total over-sea imports. Of the non-British share, the British colonies contribute one-third, the chief individual colony participating in the trade being Australia. The export trade of Australia to India consists principally of gold, raw copper, timber, horses, silver, lead, wool, coal, hay, tallow, meats, and

wheat. Of the foreign countries in the Indian market, the trade of no individual one approximates in importance to the trade of Australia. The principal is the Dutch colony of Java, whose natural products find their way into India by reason of the proximity of the peninsula. Of the European countries, Germany and Belgium each account for a little over £5,000,000; but the apportionment is not strictly accurate, because much of the German exports pass through Belgian ports. The combined German and Belgian shipments are equal to about 8½ per cent of the total imports, those from the United States to only 2½ per cent of the total, and Austria and Egypt each claim the same percentage. A general survey of the field of Indian imports shows that Britain may regard her position without serious mis-giving. She is pre-eminent, and the entire contributions of other countries equal only one-third of the total. The only menacing factor is the increase of German trade in India. Although the value supplied by Germany is comparatively small, the proportionate increase of that value has been relatively great. The increase has been one of 100 per cent within less than ten years. The chief departments in which German competition has been successful have been those of electrical goods, chemicals, and metal manufactures. These compete directly with British goods. Some classes of goods produced by Germany are more suitable for low-grade markets such as India, because Germany produces a quality that the British manufacturer would not put out, and the export policy of the German cartels has also had its influence. The boycott of British goods attempted by Indian native agitators has also been a cause of the diminution of British exports to India, although the trade diverted by these has been comparatively unimportant. The large Indian importing houses are not parties to it, and the agitators are not to any extent in the field of commerce. The contribution of the United States to Indian consumption is almost half for petroleum oil, in which substance Britain cannot compete. Summarizing the situation in a word, we may write the legend "Satisfactory" upon the record of Indian import trade. Were it not for the menacing increase of German trade, it would be "eminently satisfactory".

Duties on Imports

The customs duties upon imports into British India are generally 5 per cent of value, which is only a low revenue duty, and cannot be considered protective. The duty-free list includes cotton yarn, materials for railways, tea chests, hoop iron for

balancing cotton, most machinery, machine belting, coal, wheat, corn, rice, and raw tobacco. A duty of 1 per cent of value is exacted from iron pigs, sheets, and bars, and certain mineral oils. Cotton piece goods and other manufactures pay $3\frac{1}{2}$ per cent; salt, $1\frac{3}{4}$ rupees per cwt.; salted fish and pickled fish, $8\frac{1}{2}$ annas per cwt.; beer, 2 annas per gallon; spirits, 7 rupees per proof gallon; sparkling wines, $2\frac{1}{2}$ rupees per gallon; and other wines, 1 rupee per gallon.

The Government of India places special taxes upon sugar coming from countries where the sugar industry is encouraged by a system of bounties. These special taxes are usually the ordinary duty on sugar plus the amount of bounty granted by the government of the producing country. The countries whose sugar is subjected to special taxation under this clause of the Indian Customs Act are the Argentine Republic, Chile, Denmark, and Russia; but Russian sugar is not taxed specially when it reaches India direct from Russia or through another country which is a party to the Brussels Sugar Convention of 1902.

Certificates of origin are required only for imported sugar and for spirits delivered out of bond in the United Kingdom for shipment to India. These certificates are issued by Customs officers in the United Kingdom.

Local Regulations

Commercial travellers visiting India are not taxed as such. Travellers to the States of Manipur and Baghelkhand must have a pass from the political agent or the Darbar. These passes are freely given. Travellers in the Sihori State must be accompanied by a guide to protect life and property. No concessions in fare are allowed on any Indian railway. Some of the Indian railways accept travellers' luggage and samples at half the ordinary rates for parcels, carrying such baggage and parcels at owners' risk. Samples entering the provinces of Madras, Bengal, and Burma pay no duty, if of no commercial value; otherwise duty is charged. Seven-eighths of the duty so paid is

refunded if the samples are taken out of the country again within three years. Samples not intended for sale, which have paid duty and been re-imported after having been taken out of the country, are passed without repayment of duty.

In Baluchistan samples or goods must be taken to the *octroi*, or municipal tax bureau, in Quetta, and a sum sufficient to cover duty must be deposited. On leaving Quetta the goods or samples are again inspected, and duty is charged only upon articles being left in the country, the remainder of the deposit being returned.

It was enacted in 1871 that the *ser*, equal to a kilogram, should be the legal standard of weight in India; but ingrained practice is stronger than legislative enactment, so that while theoretically the *ser* is the legal standard, popular custom differs widely. The maund, which is 40 sers, has its proper legal status in Bengal, and is equal to $82\frac{7}{8}$ lb.; but the maund used in Madras is equal to only 26 lb., and the maund in Bombay to 28 lb. The legal imperial weights are:—

1 tola	=	180 grains troy, or 0.4114 oz.
		avoirdupois.
5 tolas	=	1 chittack = about 2 oz.
		avoirdupois.
16 chittacks	=	1 ser = 2.057 lb.
40 sers	=	1 maund = $82\frac{7}{8}$ lb.

A chest of opium weighs 140 lb., and a bale of jute 400 lb.

The standard of monetary value is the rupee, which formerly fluctuated in value, but is now legalized as being worth 1s. 4d., so that 15 rupees are equal to one pound sterling.

1 pie	=	$\frac{1}{4}$ farthing.
3 pies	=	1 pice = 1 farthing.
4 pice	=	1 anna = 1 penny.
16 annas	=	1 rupee = 1s. 4d.
100,000 rupees	=	1 lac = £666 13s. 4d.
100 lacs	=	1 crore = £666,666 13s. 4d.

British Trade Representative.—Correspondent of the G.I. Branch, Board of Trade: the Director-General of Commercial Intelligence, Calcutta.

MALTA

Malta is a Crown Colony, and has been a British possession since 1800. It is situated in the Mediterranean, 56 miles south of Sicily, and, with the islands of Gozo and Comino, comprises an area of 117 sq. miles, or rather less than that of the Isle of Wight. Exclusive of the garrison of some 9000 men, the population of the three islands is 210,000, of whom 158,000 are resident in Malta. The chief

town is Valetta (50,000), and here also is the port, harbour, and naval station of the island.

Shipping and Railways

There are 8 miles of metre-gauge railway in Malta. More than 1500 first-class steamers call at Valetta annually, including the intermediate

boats of the P. & O. Company from London; the Ellerman and Hall Lines and the Moss Line from Liverpool; and the vessels of the Compagnie Transatlantique sailing from Marseilles for Tripoli and Tunis. New York is in steamship communication with Malta by the services of the Levant Line and the Mediterranean and New York Steamship Company.

Resources

For Britain Malta's chief value lies in its importance as a military and naval station. The number of military troops of all ranks stationed in the island is usually about 9000, but fluctuates considerably from time to time. The resources of the island are almost entirely agricultural, and the chief products are potatoes, oranges and mandarins, figs, grapes, honey, and corn. The area cultivated is about 41,000 acres. Stock-raising also engages the population, and the stock includes about 11,000 beasts of burden (horses, mules, and asses), 6000 cattle, 20,000 sheep, and 19,000 goats. The trade of Malta is nearly all transit trade. The imports of Britain from Malta were never large; they were formerly of the value of £65,000, but have steadily declined. The chief items are ivory, tobacco, oranges and lemons, potatoes, and scrap metal. There are a few home manufactures, chiefly cotton-weaving, filigree, and lucifer matches.

Imports

The imports of Malta aggregate about £7,000,000 annually; but although the returns show such large figures, the trade is a transit one, and imported goods to the value of only about one million sterling enter for consumption in Malta. Such goods comprise a general assortment of merchandise. The chief article of British export to Malta is coal, with a value of almost £300,000 annually. The value of the beer is not far short of half of this sum, and the other chief items are metals and metal goods, corn and grain, cotton piece goods and other manufactures, machinery and mill work, woollen and worsted piece goods, wearing apparel, tobacco, potatoes, and spirits.

Customs Duties

Malta is practically an open market, as far as customs duties are concerned. A few selected articles are subjected to a small revenue duty, which is in no case high enough to be protective. The chief articles on the duty list are cotton-seed oil, 2½d. per gallon; petroleum, 1d. per gallon; other oils, but not medicinal oils or oils used in industry, 1½d. per gallon; wheat, 3d. per bushel if damaged, or 1s. 3d. per bushel if otherwise; flour, 3s. 10d. per cwt., or 1s. 3½d. per cwt. if damaged and unfit for human food; corn, 3d. per bushel if damaged, or 9d. per bushel otherwise; raw sugar, 3½d. per cwt.; refined sugar, 1s. 4d. per cwt.; beer, 4½d. per gallon or 9d. per dozen bottles; spirits, 5s. per proof gallon; wine in the wood, 3½d. to 4s. 5½d. per gallon, plus 1s. per gallon for still wine in bottle, or 3s. per gallon for sparkling wine in bottle; raw tobacco, 2d. per lb.; manufactured tobacco, 8d. or 9d. per lb.; and cigars, 1s. per lb. Flour containing more than 5 per cent of its weight not the product of wheat is prohibited.

Certificates of origin are not required for general goods imported into Malta, but there are special regulations pertaining to flour, frozen meat, cotton seed, plants, roots, and garden soil from Mediterranean ports, vine cuttings and shoots, cattle and swine.

Local Regulations

For commercial travellers visiting Malta there are no licences or regulations. Samples of value are charged duty, which is refunded upon exportation within three months. There are no special railway privileges to travellers.

The weights and measures are those of the British Imperial system, but the *caffiso* (= 4½ imperial gallons), the *salma* (= 8 imperial bushels), and the *cantar* (= 175 lb. avoirdupois) are still in use. British money is the legal tender.

British Trade Representative.—Correspondent of the C.I. Branch, Board of Trade: the Collector of Customs, Valetta.

MAURITIUS

Mauritius is a British Crown Colony situated in the Indian Ocean 500 miles east of Madagascar. The area of the island is 705 sq. miles, or about that of the county of Surrey. The population is nearly 380,000, of which about 265,000 are natives of Africa, India, or China, mainly imported for the purpose of working the sugar plantations. St.

Louis (56,000), which is the capital of the island and its principal port, is the chief centre of trade, which is carried on mainly by Indians and Chinese. Included in the administration of the colony are the islands of Rodriguez, the Oil Islands, and the St. Brandon group. Rodriguez is situated 344 miles to the east of Mauritius, and has a popula-

tion of rather less than 4000. The area of these scattered islands is about 172 miles.

colours and material, furniture and wooden ware and leather and leather goods.

Shipping and Railways

Mauritius is 8555 miles from London, via Cape Town, and is reached by the steamers of the Union-Castle Line, via Durban, every month. From Mauritius steamers run to Colombo and Calcutta monthly, and to Natal fortnightly. East African ports, Aden, Port Said, Lisbon, and Antwerp and Hamburg, are reached once a month by the vessels of the German East Africa Line. The only direct service between the United States and Mauritius is by the Union Clan Line. Goods may be sent to Marseilles or Durban and transhipped. There are 131 miles of railway in the colony.

Resources

The principal agricultural product of the islands is the sugar cane, but rice, maize, manioc, tobacco, vanilla, coffee, spices, fruits, and tea are grown to a limited extent. Some of the trees indigenous to the soil are valuable, especially the black ebony. The colony also produces hemp, vegetable fibres, and coconut oil.

The value of the annual exports from Mauritius approaches £3,000,000. Of this quantity Britain takes about one-seventh. By far the most important article of export is sugar, the chief destination of which is British India, whither it is exported in its raw state. Molasses, a product of sugar, is also exported, as well as aloe fibre, and small quantities of rum, vanilla, rice, and coconut oil.

The chief articles imported into Britain from Mauritius are raw sugar, hemp and other fibres, coconut oil, and rum. None of the other exports to Britain reaches the value of one thousand pounds annually, so that their actual importance is negligible.

Imports

Of the imports of Mauritius, Britain accounts for only about 25 per cent, the reason being that food and other products from India for the Indian residents of the island colony constitute about 50 per cent of the aggregate imports. Thus Britain can claim about 50 per cent of the imports that are not from India, and the British Empire almost five-sixths of the entire imports. The chief articles purchased from Britain are as follows: cotton piece goods and other cotton goods, manure, iron and iron goods, soap, machinery and steam engines, coal and fuel, vehicles and parts thereof, beer and ale, woollen and worsted piece goods, painters'

Customs Duties

Domestic sugar pays an export duty of 2½d. per cwt., and molasses 6½d. per 360-kilogram cask. Aloe fibre exported has to pay just over 1s. 4d. per ton. Goods in transit, landed and re-exported, are charged a small duty of just over 1s. 4d. per ton.

The general import duty on goods entering Mauritius is 12 per cent of the value of the articles. The duty-free articles are very few indeed. There are some exceptions to the 12-per-cent scale, and these exceptions include a number of specific duties as follows, plus 20 per cent: 56 cents per ton on coals; 1'02 rupee per cwt. on salt; 84 cents to 2'54 rupees on twines and cordage; 13½ cents per yard on bunting; 2'24 rupees per ton on pig iron; 8'13 rupees per ton on bar, sheet, and hoop iron; 10 cents to 1'20 rupee per 100 on bags and sacks; 30'48 rupees per ton on wire netting; 10 cents per 100 on bricks, tiles, and bottles; 2'51 rupees on each hide, or 3'35 rupees if tanned; 4'06 rupees per cwt. on sole leather; 12½ cents per gallon on most oils; 1'12 rupee per ton on machinery for local manufacturers; 71 cents per cwt. on unscented soap; 2'54 rupees per cwt. on bacon and hams; 1'02 rupee per cwt. on salt beef and pork; 2'29 rupees per cwt. on butter; 2'54 rupees per cwt. on coffee; 30 cents per cwt. on coffee; 46 cents per cwt. on flour; 84 cents per cwt. on raw sugar; 1'76 cent per cwt. on refined sugar; 18 cents per lb. on tea; 36 cents per gallon on beer, or 1'20 rupee per dozen bottles; 6'32 rupees per gallon on spirits, and from 1'50 to 2'50 rupees per dozen bottles on wines.

Certificates of origin are not required for goods imported into Mauritius, but the exporting country must be stated on the bill of entry. There are special conditions and prohibitions for animals from ports where cattle plague or rabies prevails. Invoices must always be produced.

Local Regulations

For commercial travellers visiting Mauritius there are no special taxes and regulations, unless the traveller intends to dispose of the goods and samples that he takes in with him, in which case there is a tax of 100 rupees (£6, 13s. 4d.) per six months. Samples of no commercial value are admitted free. The duty on samples of commercial value is refunded if the goods are re-exported within three months.

In Mauritius and Seychelles the metric systems of weights and measures are legal standards. (See

France.) The monetary unit is the rupee, which has the same value as in India (see "India"), but is divided into 100 cents (1 cent = '16d.), as in Ceylon.

British Trade Representative.—Correspondent of the C.I. Branch, Board of Trade: the Collector of Customs, Port Louis.

NEWFOUNDLAND

Newfoundland has an area of about 42,700 sq. miles, and its dependency of Labrador an area of 120,000 sq. miles. It is a more easily remembered fact that Newfoundland is the tenth of the world's islands in point of size, and that it is nearly one-third larger than Ireland. The population of the island is over 230,000, and that of Labrador 4000.

Shipping

There is regular steamer communication with Britain by the Allan Line, and a service three times a week from Newfoundland to the Canadian port of Sydney in Cape Breton, Nova Scotia.

Resources

Newfoundland has been tardy in its development. The causes for its backwardness have been certain natural disadvantages, the policy of the British home government in past years, and, finally, the short-sightedness of those in local charge of Newfoundland's destinies. Opposed to the frigid currents that flow down the west coast of Greenland, the shores of Newfoundland are for a great part of the year inhospitable, and success in agricultural pursuits demands a stern fight with close-fisted nature. Upon the west coast, which faces the Gulf of St. Lawrence, the climate is less rigorous, and agriculture is prosecuted as an auxiliary industry. The chief crops are potatoes, hay, and turnips, with some oats.

But Newfoundland will never owe prosperity to agriculture. Upon its timber wealth its immediate development will depend; its mineral wealth is not yet half known, but is considerable; and its fisheries will long continue to be its staple means of existence.

Britain kept the colony as a fishing station for British fishermen for centuries. In 1813 land grants were first made. The island was crossed from side to side only within living memory, and up to the beginning of this century and later there was only one village not on the seacoast, and that village was only five miles inland. Newfoundland made a mistake in deciding not to enter the federation of Canadian provinces in the 'seventies of last century, which mistake has retarded her progress. While Canada has advanced far on the way to becoming a great nation, Newfoundland

has remained a country of great resources, but without the means to exploit them or the enterprise and ability to find the means. The social fabric of Newfoundland rests upon something resembling serfdom. The feudal lords are the merchants of St. John's. The fishermen live in a state of perpetual debt to the merchants, the proceeds of one fishing season going to redeem in whole or in part the debts incurred during previous years. The merchants take heavy toll from this poverty, and the fishermen are seldom solvent. Under this system the merchants charge big profits, so that these conditions of labour are likely to be perpetuated until the forests or mines raise up independent industries less precarious than fishing. The regeneration of Newfoundland dates from the building of the railway towards the end of last century. This railway crosses the island, and connects with the steamer service to Sydney three times a week. The railway scheme was carried through in spite of the bitter opposition of the merchant interest, and has been of immense benefit to the colony.

Calamity has followed calamity in Newfoundland, but these have called into evidence the marvellous recuperative power of the colony. In 1892 a great fire wiped out half the capital, and in 1894 a bank crash brought everyone in the island to his knees.

The manufacture of wood pulp in Newfoundland is beginning to assume gigantic proportions, and lumbering is also developing rapidly, the progress being due chiefly to the railway. Copper and iron are the chief minerals at present worked in the island. Newfoundland iron is the main supply of the great Canadian iron companies in the maritime provinces of the Dominion. The other mineral wealth at present known includes argentiferous galena, asbestos, gold on a small scale, petroleum, slate, marble, and coal. It merely requires capital and enterprise to develop Newfoundland into a very valuable mineral-producing country; and as the world's demands increase, convenient situation, with the cheap water transit possible between her shores and the refining and consuming centres, is bound to attract the necessary enterprise.

We have in Newfoundland, with its dependency of Labrador, a great territory with a population less than one-third that of the city of Liverpool.

The only town of fair size is the capital and port of St. John's, which 'has a beautifully sheltered harbour. Its population is about 40,000—one-fifth that of the entire island. The next most important place is Harbour Grace, on Conception Bay, with just over 5000 inhabitants; and there are about half a dozen villages with populations of between 2000 and 4000. All the manufacturing enterprise of the island is centred in St. John's, which is the single important commercial centre. The manufactories include rope works, biscuit factories, oleo-margarine factories, tanneries, breweries, timber mills, foundries, a tobacco factory, and a boot and shoe factory. The most extensive business is concerned with the drying and curing of codfish. Seal oil, cod-liver oil, and whale oil are expressed and refined, and artificial guano is made from whale refuse. The value of fishery products exported annually is over two millions sterling, and this constitutes more than four-fifths of the value of the total exports. Three-quarters of the value of fishery products exported consists of dried codfish. The other articles exported include iron ore, copper ore, and timber. The colony is a very long way from the ability to compete in the sale of general manufactured goods in neutral markets. The United Kingdom purchases only 12 per cent of Newfoundland's exports, and Canada takes rather more than Britain. Brazil is Newfoundland's best customer, and Portugal, the United States, Italy, and Spain come next in importance. Britain's proportion of Newfoundland's exports has decreased very much since the opening of the twentieth century.

Imports

Newfoundland's bill for imports comes to about two and a quarter millions sterling per annum. Britain's proportion has been growing less. The most prominent fact in the commercial situation is the increasing and important share of Newfoundland's import trade now held by Canada—quite one-third of the total. The struggle for supremacy in the Newfoundland market lies between Canada and the United States. Britain will have the bulk of what these competitors leave for many years to come; but that share will be smaller and smaller. Canada and the United States are next door, and the goods made there suit the Newfoundland market. The British manufacturer has to cross the ocean to look after a small trade, and, with the other markets of the world open to his enterprise, he finds it more profitable to spend his money and time in places where his competitors do not have the advantage of geographical position.

In the details of British exports to Newfound-

land some changes have to be recorded. Recent years have witnessed considerable increases in the values of British-made hardware, machinery, iron, woollen and cotton piece goods, but considerable declines in wearing apparel and in coal. In the main Newfoundland's orders are very small. If these orders were to be further subdivided, the divisions could scarcely yield much to their recipients; and Newfoundland cannot be described as a promising market for selling enterprise.

Customs Duties

Newfoundland offers no general preferential treatment to British manufactures, as do the great self-governing colonies of the empire. The duties in Newfoundland are specific in some cases and upon an *ad valorem* basis in other cases. Manufactured goods are subject to duties usually ranging from 25 to 50 per cent, but principally 35 per cent; semi-manufactured goods are subject to lower duties, usually ranging from 10 to 25 per cent. Taking a few duties at random, we find the following in the schedule:—

Linen and silk thread	25 per cent.
Knitted goods	35 "
Hoop iron for herring barrels ...	Free.
Other hoop iron	5 per cent.
Columns and girders	10 "
Cutlery	35 "
General machinery	25 to 35 per cent.
Boots and shoes	40 per cent.
Raw sugar	9s. 2½d. per cwt.
Tea	33 per cent.

Prison-made goods are not allowed to enter Newfoundland. There are no export duties in the colony.

Certificates of origin are required only for Greek currants and raisins, and for fish of British catch and cure, the only articles on the preferential tariff. Invoices must be presented in all cases.

Manufacturing enterprise in Newfoundland is favoured by the high duty; but there is a duty upon much of the materials used in manufacturing, if these have to be imported, so that the protection is not so effective as the figure of the duty rate would seem to indicate at first glance. And the internal market is small, so that any manufacturing enterprise must be content with very limited scope for many years to come.

Local Regulations

For commercial travellers visiting Newfoundland there are no licences or special regulations. Samples of value are charged with duty, which is refunded if the goods are exported again within one year.

The weights, measures, and currency of Newfoundland are the same as those of Canada (see "Canada").

British Trade Representative.—Correspondent of the C.I. Branch, Board of Trade: The Assistant Collector of Customs, St. John's.

NEW ZEALAND

The Dominion of New Zealand is about 1200 miles east from the Australian continent. It consists of a series of islands, the two principal being the North and South Islands. The area of the Dominion, including the Cook and other islands, which extend for a thousand miles or more from the main islands, is 104,750 sq. miles, or half the size of France. The population is about 980,000, and includes 40,000 Maoris, who dwell principally in the North Island.

The four great cities of New Zealand—judged by size "chief towns"—would be perhaps a more fitting designation—are Auckland (82,000), Dunedin (56,000), Wellington (64,000), and Christchurch (68,000). These are the commercial centres. All are ports except the last-mentioned, which is served by the port of Lyttelton. Dunedin is the chief commercial centre and market of the colony, and has about three-quarters of the tonnage of shipping registered in New Zealand. There are over 2700 miles of government-owned railways open in the islands.

Shipping

New Zealand is reached direct from London and Plymouth by the vessels of the New Zealand Shipping Company monthly; by the Shaw, Savill & Albion Line at frequent intervals; by the Federal Houlder-Shire Lines from Liverpool; also by P. & O. steamers and the Orient Line from London via Melbourne weekly.

Service between the United States and New Zealand is given by the American and Australian Line fortnightly; Arnold, Cheney & Company's Star Line; Birt, Potter & Hughes Line; Peabody Line; Pioneer Line; Tyser Line; and the U.S. and Australasia Line, all of which sail from New York. The Oceanic Steamship Line sails from San Francisco to New Zealand.

Resources

Live stock is the great resource of New Zealand, and her chief wealth is found in her sheep, which number about 21 millions. Wool is the principal export, and frozen meat comes second. The cattle represent only 6 per cent of the number of the sheep. Although the country is chiefly pastoral, many cereals are cultivated; but stock

pays better where the labour supply necessary for economical tillage is difficult to procure. The wheat grown in the Dominion is just about sufficient for local consumption. Oats and barley are much less important, and root crops, which are not always successful, comprise potatoes, turnips, mangolds, and carrots. Forage crops have a purely local interest, but phormium or New Zealand flax occupies large areas in the swamp lands. About 30,000 tons are exported annually. Linseed cultivation is declining very much.

The chief minerals of New Zealand are gold and silver, kauri gum and coal. Gold is recovered to the value of over £2,000,000 annually. The gold-producing districts are in Auckland, the west coast of the South Island, and in Otago. Great developments have taken place in the recovery of gold by river-dredging. The bituminous coal of the west coast of the South Island is unexcelled in quality by the best British coal. Two of the coal mines are owned and worked by the State. Copper, chrome, and manganese ores have been worked, but with varying success.

The Government of the Dominion exacts duty upon white pine, kahikatea, and kauri exported, at the rate of 5s. per 100 superficial feet upon logs, and 3s. upon fitches, which are sections of logs sawn or hewn on one side and rough on the other. Gold and oysters exported from the North Island pay export duty at the rate of 2s. per oz. (troy) and 6d. per cwt. respectively.

Manufactures

Being an isolated community with great natural resources and an extremely favourable temperate climate, New Zealand is peculiarly suited for development along the line of manufacturing industry. The requirements of the Government statistical department demand many exact details from the manufacturers of the Dominion regarding their capital, output, and wages paid, so that a detailed study of the subject of New Zealand manufacturing activities is easily possible from the public records of the colony. The definition of a "factory" comprises any manufacturing establishment where two or more people are engaged together making articles for disposal, wholesale or retail, without reference to machinery being used or not. The definition is very comprehensive, and

discounts somewhat the value of the figures. But apart from the number of manufacturing establishments, which are well over 4000, there are sound indications of great progress. The manufacturing enterprises relative to the population of the Dominion are numerous and progressive. The chief centres of manufacturing are Otago, Auckland, and Wellington, all of which are about equal in the number of establishments, and the next most important centre is Christchurch.

The chief manufacturing branches are dependent upon the great primary industries of agriculture, stock-raising, timber, and flax. Greatest increases have been evidenced in the meat-freezing and preserving works, in butter and cheese factories, and in sawmills and joinery factories. Smaller but important increases have also been witnessed in grain and flax mills. The former group have depended for their increases upon their export trade, and that is the group of keenest interest to Britain from the necessities of its food supply. Wool is the chief article of export; the annual value has exceeded $7\frac{1}{2}$ millions sterling, and nearly all of it enters Britain. The next most important article of export is frozen mutton and lamb, the trade in which has developed tremendously. The annual value exported has risen to about $3\frac{1}{2}$ millions sterling, and almost all of it finds its market in Britain. Butter and cheese are next in the list, and again the homeland takes almost the entire quantity. Gold and silver we have already noticed. Hemp, tallow, and sheepskins each account for a value of about three-quarters of a million sterling in the export trade, and again the purchasing market is Britain. Kauri gum, rabbit skins, and timber are also important, and of the first two the United Kingdom purchases the major part.

In none of the great British colonies does trade, both outwards and onwards, pertain so much to the British Empire as does the trade of New Zealand. In the case of the export trade, 95 per cent of the total value finds its market of consumption within the confines of the Empire. Of the goods to the value of 20 millions sterling exported, $16\frac{1}{2}$ millions' worth come to Britain, and over $2\frac{1}{2}$ millions' value go to other British possessions. The only individual foreign country that purchases even moderate quantities of Australian produce is the United States, which buys some kauri gum, sheepskins, and wool.

Imports

The import trade of New Zealand is also overwhelmingly imperial in its origin, Britain providing 60 per cent of the total, and the Empire as

a whole providing 85 per cent. The chief colonies that send goods to New Zealand are Australia, Fiji, Ceylon, and Canada. Of foreign countries, the only country supplying over £400,000 value annually is the United States of America, whose exports to New Zealand are worth $1\frac{1}{2}$ million sterling, chiefly from Atlantic ports, and consist of general manufactures, such as tools and hardware, kerosene, machinery, fruit, and tobacco. One-third of it belongs to classes in which Britain cannot compete, so that the net share of America in which Britain can compete is only about £1,000,000 annually, and in this sum the chief department is metal goods and machinery. German exports to New Zealand, though distinctly on the up-grade, are of the annual value of only about £350,000, of which the chief items are musical instruments, fancy goods and toys, iron and steel, manures, machinery, hardware, and glassware. One reason for the preponderating position of Britain in New Zealand imports is that the Dominion purchases very little foodstuffs—sugar and tea being the only important items—and when the trade is chiefly for manufactured goods other than foodstuffs, there is a greater proportion for which the home country is qualified to make a bid.

Tariff on Imports

The New Zealand general tariff on fully manufactured articles ranges from 20 to $37\frac{1}{2}$ per cent. But there are numerous exceptions, and each individual article or class of merchandise is treated upon its merits, as these weigh with the compilers of the tariff. The duty-free list is very long, and it is impossible to reproduce it *in extenso*; but nearly all articles required by New Zealand manufactures in the process of manufacture are on the free list, and articles used in pursuit of trade, such as tools and machinery, are also included. In the free list are sewing and machine threads of cotton, linen, jute, and silk, cotton piece goods, tailors' trimmings, galvanized bar and angle iron, copper, lead, and tin in bars, pigs, and sheets, zinc sheets, coal and other fuel, agricultural hand tools and machinery, general machinery and hand tools, roofing tiles, window glass, most leather used in manufacture, much rubber goods and cardboard, all acids except acetic acid, most dyes, inks, and essential oils, grindery, much timber, carriage parts, saddlers' hardware, many electrical materials, hatmakers' materials, and wool and hair.

As the New Zealand preferential tariff cannot influence trade when the goods concerned are on the duty-free list, to this extent there is no favoritism in the New Zealand market. But there are many articles in which the rebate of duty under

the preferential tariff is considerable, and calculated to influence imperial trade beneficially.

The entire British Empire comes within the pale of the preferential treatment accorded under the New Zealand Tariff Act of 1907. Summarized, the main provisions of the preferential tariff are as follows: On Portland and other building cements the duty on foreign-made cement is double that on cement made in the British Empire, the rates being respectively 4s. and 2s. per barrel of 380 lb. Tea imported in packages containing not less than 5 lb. net weight is free when grown in the British Empire, but subject to 2d. per lb. duty when grown in foreign countries. On tea in smaller packages the duty is 2d. and 2½d. per lb. at preferential and general rates respectively. On the other manufactured goods the preferential duty ranges from one-sixth to one-third less than the non-preferential duty. Many articles which are admitted free of duty when the produce or manufacture of the British Empire are dutiable at the rate of from 10 to 20 per cent of value when not of British production. To obtain treatment under the preference clause, not less than one-fourth of the value of manufactured goods must be due to treatment or processes of manufacture in countries within the British Empire.

It is impossible to place on record the exact value of the New Zealand preference in every case, but a selected list of articles (given in next column) showing the differences in duties between goods of foreign origin and goods produced within the British imperial dominions will be instructive, and may be taken as typical.

There are many classes of merchandise, however, where the duties charged are the same, no matter whether the goods be produced within the British dominions or not. In such cases the reason for the absence of any preferential scale different from the general scale of duties is generally that to make a preferential duty lower would be to lay the domestic industries open to severe competition from Britain, and to make the foreign duties higher would be to increase the price of the articles unduly. For instance, a 20-per-cent *ad valorem* duty applies to silk ribbons and flags, many yarns, haberdashery, gloves, woollen piece goods, mineral waters, carpets and floorcloths, watches, engravings, and umbrellas, no matter whether the goods be British or non-British. Similarly, a 25-per-cent duty applies to hats, hosiery, ready-made clothing and silk, millinery, and shawls, from whatever source they come. Woollen yarns pay 12½-per-cent duty from whatever source they may come, and leather belting from any country pays 4d. per lb. Beer pays 2s. a

	Preferential Tariff.	General Tariff.
Binder twine ...	Free ...	10 per cent.
Other twines and cords ...	20 per cent	30 " "
Cotton cloth for meat wraps and butter and cheese ...	Free ...	20 " "
Corrugated iron sheets ...	2s. per cwt.	2s. 4½d. p.cwt.
Plain galvanized sheets ...	1s. 6d. "	1s. 9½d. " "
Plain iron sheets ...	25 per cent	37½ per cent.
Wire netting ...	Free ...	10 " "
Railway and tramway rails and materials ...	Free ...	20 " "
Hardware ...	20 per cent	30 " "
Gas and oil engines ...	Free ...	20 " "
Electrical machinery ...	10 per cent	15 " "
General machinery not otherwise specified ...	20 " "	30 " "
Plate glass and mirrors ...	25 " "	37½ " "
Boots and shoes ...	From 6d. per pair + 15 percent to 1s. 6d. per pair + 15 per cent	From 9d. per pair + 22½ per cent to 2s. 3d. per pair + 22½ per cent.
Candles ...	1½d. per lb.	2½d. per lb.
Common soap ...	5s. per cwt.	6s. per cwt.
Toilet soaps ...	25 per cent	37½ per cent.
Butter ...	20 " "	30 " "
Flour ...	1s. per 100lb.	1s. 2½d. per 100 lb.
Dried fish ...	10s. per cwt.	15s. per cwt.
Tea ...	2d. per lb.	2½d. per lb.
Curtains ...	20 per cent	30 per cent.
Printing paper ...	Free ...	20 " "
Cycle components ...	Free ...	20 " "

gallon, and most spirits 16s. per gallon, no matter what was the home of manufacture.

Preferential Tariff Declaration

To come under the lower tariff accorded under the British preferential clause in the Customs Act, goods must be accompanied by a specific form, which may be attached to or printed on the invoice of the goods. Special forms are required for exported tea which it is desired to bring under the preferential tariff, but for all other goods one or other of two forms must be used—No. 1 when the declaration is being made by the exporter personally, and No. 2 when the declaration is being made by a person other than the individual exporter. Form No. 1 reads as follows:—

I, (*full name of exporter*), the exporter of the articles included in this invoice, have the means of knowing, and do hereby certify, that the said invoice, being from myself to (*name of party or parties to whom articles invoiced*), and amounting to (*insert in words at length total value of invoice*), is true and correct; that all the articles included in the said invoice are *bona fide* the produce or manufacture of one or more of the following

countries, viz. (*names of countries, being in every case part of the British dominions*); and that a substantial portion of the labour of one or more of such countries has entered into the production of every manufactured article included in the said invoice to the extent in each article of not less than one-fourth of the value of every such article in its present condition ready for export to New Zealand.

(Signed)

Dated at, this day of, 19...

Form No. 2 is as follows:—

I, (*full name of person signing certificate*), hereby certify that I am (*insert the words "partner", "manager", "chief clerk", or "principal official", giving rank, as the case may be*) of (*name and address of exporter or exporters*), the exporter(s) of the articles included in this invoice, and that I am duly authorized to make and sign this certificate on behalf of the said exporter(s).

I have the means of knowing, and I do hereby certify, that this invoice from the said (*name of exporter or exporters*) to (*name of party or parties to whom articles invoiced*), amounting to (*insert in words at length total value of invoice*), is true and correct; that all the articles included in the said invoice are *bona fide* the produce or manufacture of one or more of the following countries, viz. (*names of countries, being in every case part of the British dominions*); and that a substantial portion of the labour of one or more of such countries has entered into the production of every manufactured article included in the said invoice to the extent in each article of not less than one-fourth of the value of every such article in its present condition ready for export to New Zealand.

(Signed)

Dated at, this day of, 19...

Trade with South Africa

New Zealand has a reciprocal agreement with South Africa whereby South African produce and manufactures enter New Zealand at special rates. This agreement came into operation on January 1, 1907, and it presents the unique spectacle of being a preferential tariff within a preferential tariff. Every country and colony within the British dominions has, by virtue of being a part of the Empire, preferential treatment in the New Zealand market. South Africa has, by the reciprocal agreement, special terms within that preferential agreement. The preferential rates of duty upon certain South African products are 25 per cent lower than the duties payable on similar goods going from other parts of the British Empire, so that an article, if from Britain, and subject to 20 per cent duty, would pay only 15 per cent if the product of South Africa. There are a few articles which under the agreement are subject to special treatment, and the main value of the agreement from the South African point of view

lies in the concessions which they carry. They are as follows:—

Feathers, 15 per cent *ad valorem*; fish, 1½d. per lb.; fruits, dried and green, free; maize, 6d. per 100 lb.; tobacco, manufactured, 2s. 6d. per lb.; tea, in packets not over 1 lb., 1d. per lb.; wines, sparkling, 5s. per gal.; other wines, 2s. per gal.

The advantage given to South Africa is worth considering. Most dried fruit pays 2d. per lb. from any source except South Africa, and South African dried fruit is duty-free in New Zealand. The other advantages gained by South Africa are 6d. per 100 lb. instead of 9d. on maize; 2s. 6d. instead of 3s. 6d. per lb. on tobacco; 1d. per lb. instead of 2d. on tea in small packets; sparkling wines, 5s. instead of 9s. per gal.; non-sparkling wines, 2s. instead of 6s. per gal. These concessions will help South African trade with New Zealand in feathers, fruit, tea, maize, tobacco, and wines. But the benefit is potential rather than actual. South Africa can sell all she can produce of these things at present, and it is only as she develops trade so as to have an unplaced surplus that the New Zealand market will become of any real value to her. The general concession of 25 per cent lower duty than the preferential tariff scale of duties means nothing to South Africa at present, because hides, hair, wool, and sugar, which are the chief exports of South Africa, are duty-free in New Zealand, and where there is no duty there can be no rebate of duty. But the whole situation of New Zealand towards South Africa is an interesting manifestation of a new spirit of commercial negotiation which has taken hold of the colonies. In itself little or nothing, it may grow to be something of importance.

Local Regulations

A commercial traveller visiting New Zealand must deposit £5 as a guarantee that the income tax due on the business he does in the colony will be paid. A warrant allowing him to exercise his calling is then issued to him; the penalty for soliciting orders without a licence is from £2 to £50. A return of the business done must be made for income-tax assessment, and the sum deposited is taken into account in the reckoning. Resident agents of British firms pay income tax like ordinary residents (first £300 exempt), but as agents for their firms they are responsible for the income tax payable by their firms upon the profits of the business done in the colony. Duty is charged upon samples of value, and refunded upon taking them out of the country within six months and observing the proper formality. Railway luggage allowance is 112 lb., and excess up to 10 cwt. is

charged 6*d.* per 56 lb. or part thereof per 50 miles or part thereof, up to 10 cwt.

The weights, measures, and currency of New Zealand are those of the British Imperial system.

British Trade Representatives.—H.M. Trade Commissioner for the Dominion, Wellington. Correspondents of the C.I. Branch, Board of Trade, at Auckland and Dunedin.

NORTHERN NIGERIA

Northern Nigeria is a British Protectorate in West Africa. It is landlocked, and is bounded on the north by the French Sudan, on the west by the hinterland of Dahomey, on the east and south-east by the German Cameroons, and on the south by Southern Nigeria. It has an area of 255,700 sq. miles, so that it is twice the size of the United Kingdom; and the population is about 9,000,000, almost entirely native blacks. The capital is Zungeru. The River Niger runs through the western portion of the territory, and the River Benue through the southern portion. Trading operations are carried on by the Niger Company. A railway runs from Barijuko to Zungeru, a distance of 22 miles; and access to the sea is gained through Southern Nigeria, either by the Niger or by railway from the common frontier to Lagos.

The African and British and African steamers to and from Liverpool call weekly at Lagos, and certain Hamburg steamers also call at frequent intervals.

Resources

The natural products of the southern part are palm oil and kernels. The more northern districts produce rubber, ground nuts, ivory, hides, live stock, ostrich feathers, kola, tobacco, and cotton, the growth of which is being encouraged. Most timber logs taken out of the country must pay a 5-per-cent *ad valorem* export duty. The mineral resources include tin and silver, and there

is a prospect of the former metal becoming of some importance in its output. The exports find an outlet through Southern Nigeria, and they reach a value of about £150,000 annually. The oversea exports are included in the exports of Southern Nigeria. A large caravan trade is carried on with the countries to the north—Morocco, Tripoli, Sahara—and with Wadai in the east. As West Africa develops, this trade, which is now not inconsiderable, will assume some importance, because Northern Nigeria is the British gateway to these countries.

Imports

The chief imports of Northern Nigeria are cotton goods, hardware, salt, and provisions. The trade with the people is chiefly by barter. Spirits may not be imported into the country. Under government aid, roads and means of transport are being improved and developed, so that the territory is being encouraged to put its undoubtedly valuable resources to profitable account.

The import duties into Northern Nigeria are the same as into Southern Nigeria.

The weights and measures are nominally British, and the use of British money is gradually superseding the system of barter.

British Trade Representative.—Correspondent of the C.I. Branch, Board of Trade: the Cantonment Magistrate, Lokoja.

NYASALAND PROTECTORATE

The Nyasaland Protectorate, formerly called the British Central Africa Protectorate, is a territory situated in British Central Africa bordering, on the east, on Lake Nyasa, and extending southwards nearly to the River Zambesi. It has an area of 43,600 miles, and is therefore about one-third the size of the United Kingdom. The population is rather less than 1,000,000, including about 600 Europeans and a few Indians. The headquarters of the Government are at Zomba. Chinde, at the mouth of the Zambesi, is the seaport of Nyasaland; but Chiromo, a place at the junction of the rivers Ruvo and Shiré, forms an inland "port", and is in direct communication with the coast by means

of the river steamers of the African Lakes Corporation and the British Central Africa Company. The principal commercial centre is Blantyre, in the Shiré Highlands, with 6500 inhabitants, of whom about 200 are whites.

Shipping and Railways

Communication with Europe is maintained by the steamers of the German East Africa Company to and from Hamburg, and goods from the United States are sent to Hamburg for transhipment. There are privately-owned railways open in the Protectorate, the chief line being that running

from Port Herald to Chiromo, which is 100 miles long.

Resources

The trade of the Nyasaland Protectorate is as yet comparatively insignificant, the value of the exports of the produce of the Protectorate being under £100,000, and of the imports under £300,000. Coffee is the chief article exported, this item figuring in the returns for about £20,000, three-fourths of which is shipped to the United Kingdom, the bulk of the balance being taken by foreign countries. Raw cotton is another export, this product being exported to the value of about £30,000, and tobacco accounts for a value of about £10,000, nearly the whole entering South Africa for local consumption, and less than one-tenth being sent to the United Kingdom. Rubber exports are valued at about £5000, practically all of which is shipped to Britain. Germany takes one-third of the beeswax exported, and the United Kingdom one-eighth. Most of the ivory exported from Nyasaland finds its way to the United Kingdom, less than a tenth being purchased by Germany.

Export duty is charged upon gold other than coin, 1s. per oz.; sheep and goats, 1s. each; hippopotamus teeth and rhinoceros horns, 1d. per lb.; elephant ivory, 9d. per lb.; and wild rubber, 4d. per lb.

Imports

The chief class of imports is soft goods, such as calico, coloured handkerchiefs, clothing, and Manchester manufactures generally. Of the total importation of about £150,000 annually the United Kingdom supplies about two-fifths and Germany about one-sixth. Provisions, including beer and wine, are also of importance at about £20,000 per annum, the share of the United Kingdom being three-fifths. Hardware imports approach £20,000, the United Kingdom sending about 60 per cent and Germany under 20 per cent. Nearly the whole £3000 worth of the arms and ammunition

imported is the production of the United Kingdom. Small though the commerce of the Protectorate is at present, the country possesses immense possibilities, and both as regards its export and import trade seems likely to make rapid strides.

During the first ten years of this century the exports from Nyasaland increased threefold. The United Kingdom about doubled its purchases during that period, while Germany, the nearest competitor, made rather less headway. France, Belgium, and Holland during the latter part of the decade quite lost touch with the Protectorate. The import trade of the country has fluctuated very considerably, but the United Kingdom has continued to hold a commanding lead over its rivals, Germany being a rather remote second, and Holland still farther in the rear.

The general duty on imports is 10 per cent of value. Machinery is free, also agricultural implements, railway, tramway, and road-making material, and vehicle parts. Spirits pay 15s. per gallon.

Local Regulations

There are no special regulations applying to commercial travellers. For trading in the country an annual £10 licence is necessary, and hawkers pay £4 annually; but a commercial traveller who merely takes orders does not come under either designation. Ordinary import duty is levied upon samples of value, but refunded upon re-exportation. The traveller who sells his samples in the country, runs the risk of having to take out a £10 trading licence. Resident agents pay this £10 licence, and vendors of alcoholic liquors pay also a £30 annual licence for particular premises, or a perambulating licence of £100 annually.

The currency and weights and measures are the same as in Britain.

British Trade Representative.—Correspondent of the C.I. Branch, Board of Trade: the Superintendent of Native Affairs, Zomba.

ST. HELENA

St. Helena is an island belonging to Britain situated in the South Atlantic, 1100 miles from the West Coast of Africa. It has an area of 47 sq. miles, less than one-third the size of Rutland, and a population of 3500.

The port and capital is Jamestown (2000). Since the opening of the Suez Canal, and the consequent diversion of shipping, the trade of the island has steadily declined. Efforts are being made to develop the growing of flax.

Fishing and agriculture are the chief industries of the place. There are no railways. The Eastern Telegraph Company's cable connects St. Helena with Cape Town and with St. Vincent. The steamers of the Union-Castle Line call once a month on their voyages to and from the Cape.

The only industry of this insignificant but not unimportant British possession in the Atlantic is a precarious agriculture, and there are practically

no exports, except a little guano, upon which there is an export duty of 10s. per ton.

Imports

The total imports of St. Helena, not including Government stores, are of the value of about £40,000, nearly all from Britain. The chief articles exported to St. Helena are wearing apparel, coal and fuel, and sugar. No other individual article comes to more than £1000 value. During the South African War the island had a few years of comparative prosperity. It has no

resources worth developing, and its geographical situation, far from the beaten track, prevents it from having any economic or commercial importance in ordinary circumstances.

There are very few Customs duties in St. Helena; but spirits pay 10s. per gal.; wine, 3s. per gal.; beer, 4½d. per gal. or 1s. per doz. bottles; raw tobacco, 6d. per lb.; and manufactured tobacco, 1s. per lb.

The weights and measures and currency are as in the United Kingdom.

British Trade Representative.—The correspondent of the C.I. Branch, Board of Trade.

SEYCHELLES

The Seychelles are a group of some 80 islands in the Indian Ocean about 600 miles north-east of Madagascar. They are a British Crown Colony, formerly allied to Mauritius, but given a separate political standing in 1888. The total area is 156 sq. miles, and the population about 22,000. The largest island is Mahé, with an area of 55 sq. miles, and a population of about 20,000. It contains the capital, Victoria, which is a port and naval coaling station.

Shipping

The steamers of the Messageries Maritimes call monthly on the way between Marseilles and Mauritius, and the vessels of the British India Steam Navigation Company and of the German East Africa Line call at irregular intervals. Goods from the United States can best be sent via Marseilles.

Resources

The islands are well watered, and the soil is fertile. The timber growths include several valuable hardwoods which are suitable for cabinet-making and shipbuilding. The produce consists chiefly of vanilla, coffee, cocoa, spices, tobacco, corn, tropical fruits, and vegetables.

The inhabitants of the Seychelles are engaged almost exclusively in agriculture, the only manufactures of any note being soap and vanilla. Guano manure is the chief export, and of this article £10,000 worth is shipped each year, Belgium and Germany each taking one-third, and France and British possessions smaller quantities. Of the £8000 worth of soap exported, Zanzibar takes more than half and Madagascar 40 per cent. Coconut oil exports are valued at about £8000, Madagascar taking nearly one-half, and Mauritius and India each about one-sixth. France is the chief purchaser of Seychelles copra.

During the first ten years of this century the

export and import trade of the Seychelles increased about 50 per cent. The principal individual customer for the products of the colony is France, fully one-third of the annual total exports finding its way to that country. The British Empire (including possessions and protectorates) takes more than France, but the United Kingdom alone takes rather less than half the quantity that France does.

Imports

The Seychelles import cotton goods to the value of about £10,000, India and the United Kingdom each sending about 40 per cent of the total. Of iron and iron manufactures some £3000 are imported, mostly from the United Kingdom. Machinery figures for little more than £1000, mostly from France. Of the £3000 worth of haberdashery imported annually, France supplies one-half and the United Kingdom one-third.

British India provides the largest share of the imports into the Seychelles with one-third of the total, Mauritius coming second, and France third.

Customs Duties

Guano, phosphate rock and platin, which is coral saturated with guano, is charged with an export duty of 1s. 4d. per ton, and mangrove bark pays a similar export tax. On cinnamon bark there is an export duty of double that rate. The standard rate of import duty in the Seychelles is 12½ per cent of value, plus 5 per cent of the 12½ per cent, so that the actual duty is 13½ per cent of value. There is a short free list, which includes certain bags and sacks, wheat, corn, choorah (a variety of flattened rice), and all machinery that does not need to be handled by the crane. If the crane is used for landing, machinery is charged 2·54 rupees per ton, plus 5 per cent, which is equal to 2·67 rupees per ton. Other special duties are as follows, plus 5

per cent of the special duty: millinery trimmings, 8 per cent of value; coal, 1'02 rupee per ton; salt, 51 cents per cwt.; bacon and ham, 3'56 rupees per cwt.; salted beef and pork, 1'78 rupee per cwt.; butter, 3'30 rupees per cwt.; coffee, 3'05 rupees per cwt.; flour, 51 cents per cwt.; rice, 38 cents per cwt.; raw sugar, 1'01 rupee per cwt.; refined sugar, 2'54 rupees per cwt.; tea, 11 cents per lb.; beer, 45 cents per gal. or 1'50 rupee per dozen bottles; spirits, 6'82 rupees per gal.; wine, 2 to 3'60 rupees per dozen bottles; raw tobacco, 1'13 rupee per lb.; and manufactured tobacco, 1'36 rupee per lb. Petroleum with a flash-point lower than 100° Fahr. is not allowed to be imported.

Certificates of origin are not required for goods entering the Seychelles, but the bill of entry must state if the goods are the produce or manufacture of the United Kingdom or a British possession. Invoices, as well as bills of lading, must be produced. The importation of animals from cattle-plague countries is prohibited.

Local Regulations

There are no special regulations regarding commercial travellers as such, but under the local Rate Ordinance a commercial traveller may be rated in proportion to his term of residence in the colony. If a traveller imports goods for sale, he must have a trader's licence, which costs £8, 6s. 8d. half-yearly for a wholesaler; £6, 13s. 4d. for a retailer of alcoholic liquors and for a retailer of opium; 13s. 4d. for a retailer of tobacco; and 20s. for a retailer of other classes of goods. Samples of no commercial value pay no duty, but duty is charged on samples of value. Seven-eighths of the duty is refunded if the goods are exported within three years.

The currency, weights, and measures of the Seychelles are the same as in Mauritius (see "Mauritius").

British Trade Representative.—Correspondent of the C.I. Branch, Board of Trade: the Administrator.

SIERRA LEONE

Sierra Leone is a British Colony and Protectorate on the West Coast of Africa bounded on the north by Senegal and on the south by Liberia. It has a coast line over 200 miles long, a hinterland of 180 miles wide, and an area of 33,000 sq. miles, so that it is just about the size of Ireland. The population is about 1,250,000, of whom only about 500 are whites. The capital and chief port is Freetown, with 34,000 inhabitants. Shipping with a capacity of about 2,000,000 tons enters and clears annually.

Shipping and Railways

The British & African and the African Steam Navigation Companies' steamers to and from Liverpool call at Freetown weekly. American goods are sent via Liverpool, where they are transhipped. There are 227 miles of railway.

Resources

The inhabitants of the British colony of Sierra Leone are occupied almost solely in agricultural pursuits, the chief products of the country being palm oil, kola nuts, rubber, cocoa, ginger, and cotton. Trade is on a limited scale, the total value of all articles of domestic produce exported being only a little over half a million sterling. Palm kernels constitute the chief item of export, the average value of the shipments being about

£350,000, of which Germany takes two-thirds and the United Kingdom the balance. Kola nuts are exported to the value of about £100,000, but nearly the entire quantity is absorbed by African communities. Rubber figures in the returns for about £30,000, nine-tenths being shipped to the United Kingdom and the remainder to Germany. Palm oil exports amount to about £30,000 annually, four-fifths being consigned to the United Kingdom and about 8 per cent to Germany. Ginger shipments are valued at over £10,000, practically the whole being absorbed by Britain.

Imports

The imports into Sierra Leone are approximately £900,000 per annum. Cotton goods are the chief import, the purchases of such goods approaching £250,000 yearly. Of this trade the United Kingdom secures about 90 per cent and Germany nearly all the remainder. Haberdashery is imported to the value of over £30,000, the United Kingdom supplying 95 per cent and Germany the remainder. Of the £50,000 worth of hardware and cutlery landed at Sierra Leone, the United Kingdom ships four-fifths and Germany nearly all the remainder. Coal and patent fuel (four-fifths from the United Kingdom) is valued at £25,000, Germany sending one-fourth of the total.

Although the trade of Britain with this colony

continues to grow year by year, German imports and exports are increasing at a greater ratio than those of Britain. Holland is also increasing its hold upon the trade of this part of West Africa.

The natives possess considerable skill in metal-working, particularly in gold and silver work. They seem to have a mechanical ability that will help to establish manufacturing industries when the social evolution shall have brought the country to the point where manufactures may be ventured.

Customs Duties

The general rate of import duty on goods entering Sierra Leone is 10 per cent *ad valorem*, but articles desired for the industries of the country, such as agricultural implements, hoop and corrugated iron, many classes of machinery, and coal, are free, while sugar pays 2s. 6d. per cwt. if raw, and 7s. 6d. per cwt. if refined; beer pays 6d. per gal.; spirits, 5s. per gal.; raw tobacco, 5d. per lb.; and manufactured tobacco, 2s. per lb.

Certificates of origin are not required for general goods imported into Sierra Leone, but in special cases a certificate may be required. Certificates of the composition of mineral oils are necessary in certain cases. Invoices must be produced.

Local Regulations

There are no special regulations affecting commercial travellers in Sierra Leone, and no special privileges are accorded to commercial travellers on the railways. Samples of value taken into the country must pay duty, and the duty may be deposited in view of exportation. To have the duty refunded, goods must be re-exported from the port of entry, unless permission for their removal otherwise has been obtained. To secure the refund of a deposit, re-export must be within three months; if by a perfect entry, at any time. Certain trades require a licence if prosecuted. In the colony of Sierra Leone chemists pay £4 per annum, and hawkers pay 7s. 6d. per annum, whether in the colony or the protectorate. A licence to trade in liquor costs from £50 to £75 per annum in Freetown: from £20 to £30 anywhere else in the colony, and £4 per annum in the protectorate. In the protectorate also a store licence costs £1 per annum.

The currency of Sierra Leone is the same as in Britain, but most continental 5-franc pieces also pass as current tender, as well as French and American gold coins. The weights and measures used are the same as in Britain.

British Trade Representative.—Correspondent of the C.I. Branch, Board of Trade: the Colonial Secretary, Freetown.

SOMALILAND

The Somaliland Protectorate borders upon the Gulf of Aden, which is the southern outlet of the Red Sea, and is delimited by Italian Somaliland and Abyssinia. The computed area is 68,000 sq. miles, and the population is estimated at about 350,000. The people were formerly entirely nomadic, but since the British occupation some towns and ports have come into being. The chief town is Berbera, which has a population of 30,000 when the Bedouins throng it during the trading season; the next important towns are Zeila (15,000) and Bulhar (12,000). All three are ports on the Gulf of Aden with resident British officers.

Shipping

The shipping that enters and clears from these ports aggregates about 150,000 tons annually. There is regular weekly steamer communication with Aden. No railways, but many miles of telegraph line, are in operation.

Resources

The exports of British Somaliland have a value a little over £200,000, but the value was much higher during the closing years of last century. Half the value of exports is for skins, and of the remainder the chief items are sheep and goats, ghee (a variety of butter), gums and resins, cattle, coffee, ostrich feathers, mother-of-pearl and ivory. The decline in the export trade has been caused by the diminution of the coffee trade.

There are fairly heavy export duties charged upon animals, minerals, and even upon general merchandise exported from the country. The duty in the case of Somali horses is £6, 13s. 4d. each, and upon merchandise it is 1 per cent of its value at Zeyla, and 7 per cent at other ports.

Imports

The chief trade, both import and export, is with Aden, and although British goods reach Somali-

land from Aden, no imports of British goods appear in the returns. The entire value of imports is about £300,000 annually, and of this amount Aden supplies nearly the whole. The chief articles imported are rice, American grey sheetings, dates, jowaree (a kind of grain), sugar, and European white longcloth.

The weights and measures are the British Imperial Standards, but the tola, which equals 180 grains troy, or 0.4114 oz. avoirdupois, is also in use; also the short ton of 2000 lb. is used. The rupee is the standard of monetary value, and its gold equivalent is as in India (see "India").

SOUTHERN NIGERIA

Southern Nigeria, formerly known as Lagos, is a British Protectorate in West Africa with a coast line facing the Gulf of Guinea. It has an area of 77,260 sq. miles, so that it is half as large again as England; and a population of 6,000,000, chiefly native Africans, with about 1000 Europeans. The seat of Government and the chief port is Lagos, situated on an island of the same name, and possessing a population of 40,000; but there are larger towns on the mainland, Abeokuta being credited with 150,000, and Ibadan with 200,000 inhabitants. Almost a million tons of shipping enter and clear at Lagos every year. Besides Lagos, there are ports at Wari, Barutu, Akassa, Brass, New Calabar, Bonny, Opobo, and Old Calabar. These ports are reached from Liverpool by the British & African and the African Steamship Companies' services, and from Dover and other ports by the Woermann Line, which sails from Bremen, Hamburg, and Antwerp. There is no direct service between the United States and West African ports, goods being sent to Liverpool or Hamburg for transshipment. There are 188 miles of railway in the territory, one line 124 miles in length connecting Lagos with Ibadan, while other lines giving access to Northern Nigeria are in progress.

Resources

The principal export from Southern Nigeria is palm kernels, the value of the shipments being about £1,500,000 annually. Germany takes three-fourths of the total and the United Kingdom one-fifth. Palm-oil worth over £1,000,000 is exported yearly, the United Kingdom taking four-fifths, with Germany and France as the destinations of the remainder. Raw rubber is shipped to the value of between £200,000 and £300,000, the United Kingdom buying five-sixths and Germany a small quantity. The cotton-growing industry is only in its infancy, the value of the export being between £50,000 and £100,000, practically the whole of which is consigned to the United Kingdom. Much enterprise is being put into the cotton industry, and the territory promises to become a valuable source of the fibre.

Cocoa exports amount to about £50,000, about

half being taken by the United Kingdom and about half by Germany. Timber exports represent a value of over £70,000, the United Kingdom taking about 70 per cent and Germany the remainder. Ground nuts are exported to the value of over £12,000, virtually the whole being consigned to the United Kingdom. The chief timber exported is mahogany.

Of the total exports of native products from the Protectorate, amounting to between £3,000,000 and £4,000,000, the United Kingdom takes about half, Germany one-third, and France one-tenth.

Imports

Of the importations into Southern Nigeria, cotton goods hold the chief place, the annual value being about £1,000,000, all of which, save insignificant quantities from Germany and Holland, is the manufacture of the United Kingdom. Gin is also important with some £250,000, Holland supplying nearly three-fourths, and Germany one-fourth of the total. About £50,000 worth of rum is imported, Germany sending two-thirds, and the United Kingdom one-fifth. Hardware and cutlery value about £200,000, two-thirds being consigned from the United Kingdom and one-fourth from Germany.

Southern Nigeria imports building and roofing materials to the value of over £200,000, the whole, with the exception of about 2 per cent from Germany and 1 per cent from Holland, going from the United Kingdom.

As regards imports, the United Kingdom is responsible for three-fourths of the total of over £4,000,000, Germany for one-tenth, and Holland for one-twelfth.

Customs Duties

The import duties into Southern and Northern Nigeria are generally 10 per cent of value. The chief exceptions are that tackle for boats, bags and sacks, building materials, machinery, and implements, telegraph and telephone materials, glass, saddlery and harness, certain oils, coal, certain provisions, flour, rice, fish, sugar, and tea

are free; that illuminating oils pay 2*d.* per gal., beer 4½*d.* per gal., and tobacco 4*d.* per lb. if raw, and 8*d.* if manufactured.

Certificates of origin are not required for goods imported into Southern Nigeria, but in the case of imported spirits a gauger's certificate as to quantity and strength must be attached to the invoice. Packages imported must be numbered and marked, and invoices must be furnished in duplicate. When the value of goods exceeds £10, the invoice must be attested in the exporting country by any person authorized to administer an oath in British countries, or by a British consul if in a foreign country.

Local Regulations

There are no special regulations affecting commercial travellers visiting Southern Nigeria. Samples of commercial value brought into the

country are admitted duty-free, provided the traveller furnishes a written guarantee that such samples will be exported again or duty paid upon them. Lists of samples are prepared at the port of entry, and such lists are *viséd* at each successive port, duty being collected only upon any missing articles.

The British weights and measures are used by Government, and are legal in practice. The natives have weights and measures that differ almost in every village. The monetary standard is the British standard, but the native trading is chiefly by barter, which, however, is being gradually superseded by bronze coinage. French and American gold and silver coins also pass current in the colony, although they are not, strictly speaking, legal tender.

British Trade Representative.—Correspondent of the C.I. Branch, Board of Trade: the Commercial Intelligence Officer, Lagos.

STRAITS SETTLEMENTS

The "Straits Settlements" is the name given to a British Crown Colony in the Malay Peninsula comprising Singapore, Penang, and Malacca. Including Christmas Island and the Cocos Islands, which were added to the colony in 1889 and 1886 respectively, the area of the territory is 1600 sq. miles, or, approximately, the size of the county of Somerset. The population is 620,000, of which about 300,000 are Chinese, 220,000 Malays, 60,000 natives of India, and about 5000 Europeans and Americans. Singapore, which is the entrepôt of Southern Asia, and has been called "the Liverpool of the East", is the capital, with a population of 230,000, and it is also the principal port, Penang coming second and Malacca third in importance.

Labuan is an island lying off the north-west coast of Borneo. Since 1907 it has been administered as part of the Straits Settlements. It has an area of 30 sq. miles and a population of 8000, consisting mostly of Malays. Victoria is the capital and the only port. The shipping entered and cleared is about 300,000 tons annually. There are no railways in the island.

Shipping

The total tonnage entered and cleared at these ports is about 20 million tons annually. The P. & O. and the Messageries Maritimes steamers each afford a fortnightly service between Singapore and London. The only direct services between the United States and Singapore are provided by the Barber Line and the United States

& China-Japan Steamship Line, both of which sail from New York and make Singapore a port of call.

Resources

Many of the inhabitants of the Straits Settlements follow agriculture, and the chief products are pepper, tapioca, rice, rubber, and a little sugar. Tin figures largely in the export returns, but it is only transit trade, the tin of the Malay States reaching the world's markets via Singapore.

What few industries exist in the colony are located principally at Singapore. At that place there are tin-smelting works, sawmills, fruit-canning factories, shipbuilding yards, and mills for the production of coconut oil. There are, however, a number of engineering works at Penang, coconut-oil works at Malacca, and soap works and tanneries at Singapore and Penang.

The annual value of the tin in ingots, slabs, &c., exported from the Straits is £9,500,000, or just about double what it was at the beginning of the present century. Of this total the United Kingdom buys about one-half, the United States a fourth, and France a twelfth.

The exports of grain and rice are of a value of £4,000,000, and are absorbed mostly by India, Ceylon, and other British possessions in the Far East. The exports of copra are of a value of £1,000,000, Russia being the best customer for this commodity, and France the second best, the United Kingdom taking an insignificant quantity. This industry is also steadily growing in impor-

tance. The exports of gambier are valued at half a million annually, the United States taking nearly one-half the total and the United Kingdom one-eighth, with France following close behind. Exports of pepper total a million sterling, a figure which did not vary greatly in twenty years. Sugar exports are valued at £600,000, and tapioca at much the same. Nearly one-half the total quantity of sugar exported is taken by Siam, none of it finding its way to Britain.

Of the tapioca exported, the United Kingdom absorbs one-third and France slightly less. The export of rattans amounts to half a million sterling yearly, the United States and Germany each taking one-third, France one-twelfth, and the United Kingdom one-twentieth of the total.

Imports

Of the articles imported into the Straits Settlements, cotton goods occupy the chief place, the annual value being about £2,500,000. Of this total Britain sends about nine-tenths, Russia, Holland, and Belgium being quite insignificant contributors. Hardware and cutlery imports reach about £160,000 a year, the United Kingdom and Germany each sending about a third, and Belgium, Holland, and Austria one-tenth each. Of iron the importation reaches £150,000, Belgium and the United Kingdom supplying practically the whole of the bar iron, and the United Kingdom the whole of the corrugated iron. Of miscellaneous iron wares the United Kingdom supplies three-fourths of the requirements, Belgium and Germany together doing less than 12 per cent of the total trade. The two last-named countries, however, each supply about one-third of the imports of nails, the participation of Britain therein being a negligible quantity. Machinery is imported to a value of about £250,000, the United Kingdom supplying two-thirds, the United States one-eighth, and Germany one-fourteenth of the whole.

The only articles subject to Customs duty are

beer (24 cents per gallon), spirits (2·40 dollars per proof gallon), sparkling wines (1·50 dollar per gallon or 6 quart bottles), and other wines (1 dollar per gallon or 6 quart bottles).

Certificates of origin are not required for goods imported into the Straits Settlements or into Labuan, but in the latter special permits must be obtained for the importation of opium, liquors, and tobacco, and invoices of dutiable articles must be produced.

Local Regulations

For commercial travellers visiting the Straits Settlements there are no special taxes or regulations. Duty is charged only on alcoholic or malt liquors and wines; but the quantity may be so small that the duty would be unimportant, and is not collected.

In the Straits Settlements, as well as in Labuan, North Borneo, Hong Kong, the Federated Malay States, and Sarawak, the British standards of weights and measures were made to supersede the diversity of local weights in use. But the following are still found in practice:—

1 tahil	= 1½ oz.
16 tahils = 1 catty	= 1½ lb.
100 catties = 1 pikul	= 133½ lb.

The gantang is the equivalent of a British gallon. The standard coin of the Straits Settlements is the Straits Settlements dollar. The equivalent Mexican and Hong-Kong dollars, which were formerly legal tender, are no longer. The value of the silver dollar formerly fluctuated very much, but by Order in Council of October 22, 1906, it became legal tender at the rate of 60 dollars for £7 sterling, so that the dollar has now the fixed value of 2s. 4d. The dollar contains 100 cents, so that a cent equals ·28d.

British Trade Representatives.—Correspondents of the C.I. Branch, Board of Trade: the Registrar of Imports and Exports, Singapore, and the Resident, Labuan.

UGANDA PROTECTORATE

The East African territory known as Uganda has been a British Protectorate since 1894. It is a land-locked territory bounded by the Congo Free State on the west, by the East African Protectorate on the east, and by German East Africa on the south. According to the most recent computation, the area of the Protectorate is not less than 223,500 sq. miles, which is almost double the area of the United Kingdom. The population is estimated at 3 millions, which includes

only a few hundred Europeans. The native capital of the country is Mengo, but for administrative purposes Entebbe on the north-west shore of Lake Victoria is the headquarters.

Shipping and Railways

Several steamers belonging to the Uganda Railway, besides smaller craft and sailing vessels, ply upon the lake. There is also communication from

Gondokoro to Khartoum by Nile steamer once a month, the journey occupying fifteen days. (For shipping services to Mombasa, see "East Africa Protectorate".) A railway runs from Mombasa, a port on the east coast in the East Africa Protectorate, to Port Florence on the Victoria Nyanza, a distance of 584 miles.

Resources

The soil is very fertile, and under the soil are valuable mineral deposits, including iron, copper, gold, alum, graphite, coal, shale, and mica. The chief occupations of the natives are the raising of cattle, the growing of coffee, cocoa, and cotton, and the collection of rubber. The export trade is as yet only in its infancy, and as all exports are sent via the British East Africa Protectorate, no details of the ultimate destination of the goods are available. But Uganda is one of the essentially progressive colonies, and is on the high road to rapid development. The principal articles exported are raw cotton, valued at £50,000; hides and skins, about £40,000; rubber, £6000; and ivory, about £30,000.

Imports

The value of the merchandise imported into the Protectorate is three times the value of the exports (about £400,000). The principal import is cotton cloth, which is imported to the value of £100,000 annually, the United States supplying nearly one-half, Germany one-third, the United Kingdom one-fourth, and British India one-twentieth of the total. Of the £20,000 worth of machinery

imported, the United Kingdom supplies two-thirds. The United Kingdom and its possessions supply half the hardware and tools, Germany securing about one-fourth of the total of £20,000. Of the corrugated iron imported by Uganda, valued at £6000, the United Kingdom supplies two-thirds and Germany the remainder. The importation of spirits figures for about £10,000, the United Kingdom sending three-fourths and France one-eighth of the total.

Certificates of origin are not required for goods imported into Uganda, but the country of origin must be stated on the import entry form. Invoices must be produced.

Export Duties

Duty is charged upon certain animals exported—camels, 5s. 4d. each; donkeys, 2s. 8d. each; and horses, 28s. each; upon cloves, 30 per cent of value; upon gum copal and ivory, 15 per cent of value; upon cowries and other sea shells, ebony and other fine woods, 5 per cent of value; upon borities, which are Zanzibar poles and rafters, 10 per cent of value; and upon chillies, hides, rhinoceros horn, hippopotamus teeth, tortoise shell, ostrich feathers, and indiarubber, 10 per cent of value.

There are no regulations affecting commercial travellers.

The weights, measures, and currency are those of Britain.

British Trade Representative.—Correspondent of the C.I. Branch, Board of Trade: the Treasurer, Entebbe.

WEI-HAI-WEI

Wei-Hai-Wei is an island and port in China situated in the Shantung promontory in the Gulf of Pechili, and has been occupied by Britain by arrangement with China since 1898. Wei-Hai-Wei lies nearly opposite Port Arthur, and is some 40 miles east of Chefoo. It has an area of 285 sq. miles, and is therefore a little larger than the Isle of Anglesey. The population is 150,000, all, with the exception of a sprinkling of Europeans, being Chinese or Japanese. The climate is salubrious, and the place is becoming something of a summer resort.

Shipping

There is communication by steamer with Shanghai several times a week, and with Hong Kong fortnightly.

The population is engaged chiefly in agriculture and in fishing. Cereals and vegetables are cultivated, and silk is reared. There are some minerals, but the only one which has been worked is gold, and its exploitation has not been attended with pronounced success. The few local industries include rope-spinning, chiefly for the fishing industry, boat-building, and stone-cutting.

Wei-Hai-Wei is a free port, and there are no records by which the volume of trade or its sources and destinations may be judged. Ground nuts and salted fish are the chief exports, and the chief imports consist of mineral oil, flour, cotton goods, sugar, timber, provisions, and coal.

Wei-Hai-Wei is valuable to Britain, not commercially, but as a naval and coaling station and a sanatorium for the British fleet in Chinese waters.

ZANZIBAR

Zanzibar is a sultanate under British protection. It consists of the islands of Zanzibar and Pemba, in the Indian Ocean, separated from the African mainland by a channel varying in width from 20 to 50 miles, and also includes a strip of mainland 10 miles wide. The area of the two islands is 1020 miles, or about the size of Derbyshire, and the population is estimated at 250,000, of whom 200 are Europeans and 7000 British Indians. The capital is Zanzibar, with 56,000 inhabitants, and this place serves as the port of the larger island. The carrying capacity of the vessels entering and leaving the roadstead is about half a million tons annually.

Shipping

The boats of the British India Steam Navigation Company call monthly to and from London; the Messageries Maritimes Company have also a monthly service to and from Marseilles; and the German East Africa Company call every three weeks on the way to and from Hamburg. There is no direct service with any United States port, and goods from America must be transhipped.

Resources

The products of Zanzibar and Pemba are cloves, chillies, copra, hides and skins, ivory, horns, and rubber. The total annual value of the exports of the Protectorate is about £1,000,000, and of the imports about £900,000.

Government attempts to introduce the cultivation of tea and coffee have not proved successful, but the cultivation of vanilla has been remunerative. The trade in copra is also expanding.

Of the exports, over one-third of the total consists of cloves, British India buying about one-third, Germany one-fourth, the United Kingdom one-sixth, and the United States and France less than 5 per cent each. Nearly the entire yield of copra, valued at about £120,000 annually, is absorbed by France. The rubber produced (about £20,000 worth) is all taken by the United Kingdom and Germany, these two countries also purchasing the gum copal, valued at £15,000 per annum, in the proportion of two-thirds to the United Kingdom and one-third to Germany. Some £50,000 worth of ivory is exported annually to the United Kingdom, British India, and the United States in about equal proportion.

Of the total export trade, the United Kingdom is the destination for only about 10 per cent,

which is less than the respective shares of British India, Germany, France, and Russia.

Imports

The chief class of imported goods is textiles, such as cotton goods, hosiery, and blankets. The annual purchases of such articles average £250,000, of which British India furnishes one-fourth, the United Kingdom one-fifth, the United States one-sixth, and Holland one-seventh. About £20,000 worth of hardware and machinery is imported—nearly all of British manufacture.

Of the total imports, British India supplies one-third, the United Kingdom one-seventh, and German East Africa one-twelfth. Since the beginning of the present century the trade of Zanzibar has shown little, if any, expansion, both exports and imports being nearly stationary. The shipments of such products as ivory and rubber show a marked falling off, and the imports of hardware have also shrunk considerably.

Certificates of origin are not required for goods imported into Zanzibar, but the country of origin must be stated in the declaration.

Customs Duties

The import duties of the Zanzibar Protectorate are generally $7\frac{1}{2}$ per cent of value, but agricultural tools and implements, coal, beeswax, trees and plants, rubber, shells, skins, ivory, coconuts, coins, many roots and drugs, and a few other articles are free, while distilled liquors pay 5 rupees per gallon.

Local Regulations

There are no regulations affecting commercial travellers. The currency of Zanzibar is the rupee, as in India (1 rupee = 1s. 4d.; £1 = 15 rupees), but in most business transactions the standard of value is the dollar. There are no fixed standards of weights and measures, and in trading with the Protectorate British standards serve all the purposes of commerce. The native names for their measures—such as *wanda*, a finger breadth; *moritu*, a span with thumb and forefinger—are indefinite in exact value, and therefore of no use for business purposes.

British Consulates.—

Zanzibar, Consul-General, Consul, and Vice-Consuls (2).

Pemba, Consular Agent.

CHAPTER VII

THE PLACE OF BRITAIN IN FOREIGN MARKETS

Abyssinia—Afghanistan—Argentine Republic—Austria-Hungary—Belgium—Bolivia—Brazil—Bulgaria—Central America—Chile—Chinese Empire—Colombia—Costa Rica—Denmark—Ecuador—Egypt—France—German Empire—Greece—Guatemala—Holland. (*Chapter concluded in Vol. III.*)

ABYSSINIA

Abyssinia has an estimated area of over 200,000 sq. miles, so that it is about four times as large as England, and the population is supposed to be about 11,000,000.

It is a highland state at the sources of the Nile, and is reached via Jibuti, a port in French Somaliland, on the Red Sea, which is in fortnightly communication with Marseilles by the Messageries Maritimes steamers. A railway goes as far as Dire Dawa, 25 miles from Harar (population, 40,000), and is being carried to Addis Ababa, the capital (population, 30,000). There are no other towns with a population in excess of 5000. The roads in the country are only tracks, and transport is principally by pack mules and camels. Harar is the commercial centre.

Resources

Abyssinia has valuable mineral resources, but they are almost untouched. Alluvial gold is recovered on a small scale, and there is a small domestic iron production by primitive methods; but the great mineral deposits of the country, which are believed to include coal, silver, and copper, are unexploited. There are many valuable timbers as well as rubber in the forests, but transport difficulties prevent forest productions from reaching the markets of the outside world. The principal industry is the raising of stock animals; cattle and sheep, goats, hides and skins are articles of export. For domestic consumption

the country produces barley, millet, wheat, and tobacco. Coffee is exported, and cotton, sugar cane, dates, and grapes are grown to some extent.

There are some rude manufactures—coarse cottons and woollens, leather, pottery, and metal goods—which find a domestic market.

The exports through Harar have an annual value of about £300,000, and consist of coffee, hides and skins, wax, ivory, raw gold, civet, ghee, and gum-arabic. The respective destinations of Abyssinian exports cannot be stated, and they reach the outer world through the ports of French and British Somaliland. The total value credited in the British trade returns is only some £2000 annually.

Imports

The imports of Harar have an annual value of about £400,000, and consist principally of American grey shirtings, cotton goods, silks, fire-arms, needles, bottles, tobacco, pepper, and antimony (used for cosmetics). British exports direct to Abyssinia vary from £20,000 to £30,000 annually, and consist chiefly of arms and ammunition, fuel, cotton goods, and metals.

Local Regulations

The standard coin is the talari or dollar, which is worth about 2s., and contains 100 besa. Barter is common in the country, and there is also a

sort of semi-barter where certain articles, such as cartridges and bars of salt, are accepted as a medium of exchange. There is no uniformity in the weights and measures used. The Abyssinian ounce contains 430 grains, and 12 oz. of ivory or 18 oz. of coffee make a pound. The metre has been introduced into Harar, and, as the country

becomes used to commercial practice, the metric system will undoubtedly supersede the native diversity of standards.

British Consulates.—

Addis Ababa, Consul-General and Consul.
Harar, Consul.
Diré Dawa, Consular Agent.

AFGHANISTAN

Afghanistan, which is a protectorate of Britain, so far as its external relations are concerned, has an area of about 250,000 sq. miles, so that it is twice the size of the United Kingdom. The population is about 5,000,000. The capital is Kabul (estimated population, 75,000), and Herat (about 45,000) is the other most important centre, the latter having the advantage as a commercial centre on account of its position on the main lines of communication. The rivers are not navigable. Transport is by camels or mules.

Resources

In the mountain forests there is much valuable timber—cedars, pines, hazels, and walnuts—and in cultivated districts the principal trees are mulberry, willow, poplar, and ash. Gum resin is an important forest product. Afghanistan, like India, has two harvests, the spring crop being wheat, barley, and lentils, and the autumn crop chiefly millet, maize, beets, and turnips. Other important agricultural products are sugar cane, cotton, tobacco, and fruits—melons, pears, apples, peaches, oranges, and grapes. The country is highly mineralized, the deposits including alluvial gold, silver,

rubies, lapis lazuli, copper, lead, coal, and a few other non-metallic minerals. The silver, ruby, and lead mines were formerly worked.

Silk is manufactured and exported. Afghan carpets are of high quality, and are frequently sold as Persian. Under the initiative of the Amir, artisans have been imported from Europe to teach his people handicrafts, including soap and cloth manufacture.

There are no returns of Afghan trade as a whole, and much of it, both outward and inward, is with Persia and Russia by the frontiers. The exports to India have a value of £500,000 or £600,000, and consist chiefly of horses and cattle, hides, fruits and vegetables, grain, ghee, asafoetida, wool, spices, silk, and tobacco.

Imports

The imports from India consist chiefly of cotton goods, indigo and other dyes, sugar, and tea. Their value is about £800,000 annually. The usual currency is the rupee, as in India, but there is a mint in Kabul where some silver and bronze coinage is struck. There are no special regulations affecting commercial travellers.

ARGENTINE REPUBLIC

(See also South America)

The Argentine is the second in size of the South American republics, with an area more than nine times that of the United Kingdom. The population is nearly all of European descent, the Indian element constituting only about 1 per cent of the total. The natural wealth of the country, helped by the enlightened policy of a progressive government, is attracting a steady stream of immigrants. Of all the countries of South America, the Argentine is easily first in industrial enterprise. Indeed, of all the countries in the world, only Canada is being developed at an equally rapid pace.

Buenos Aires, the capital and chief port of the country, has a population well over 1,000,000,

and no other town approaches it in importance. Other towns are Rosario (150,000), Córdoba (53,000), Tucuman (55,000), La Plata (80,000), Bahia Blanca (38,000), Mendoza (32,000), and Santa Fé (33,000). The railways in operation or under construction have a mileage over 17,000, and through communication has been established with Valparaiso by a line passing through Mendoza and San Luis, and crossing the Andes by a tunnel at an altitude of 10,500 feet.

Resources

The greatest industry is cattle and sheep raising. Argentina is the chief source of beef for

the British market, and the trade is increasing rapidly. Beef and mutton reach the markets of Europe frozen. The interests of Britain are more intimate than merely that of a consumer of Argentine produce. It is stated that British capital in excess of £400,000,000 is invested in Argentina.

The dairy industry has also become important in the country, and Argentine butter finds its chief market in Britain. Within a few years Argentina has become one of the chief granaries from which the wheat buyers of Europe draw supplies. The harvest of the Argentine is also generous in maize, lucerne, flax, grapes, sugarcane, tobacco, alfalfa, linseed, cotton, and peanuts. The hard timbers of the extreme north of the country furnish valuable woods—principally quebracho, which is used largely for railway sleepers and its extract for tanning. The minerals of the country are secondary to the agricultural wealth, but gold, silver, copper, coal, and petroleum are all worked.

Manufacturing industry has a far more congenial home in the Argentine than in any country in the new hemisphere south of Florida. The industrial establishments include flour mills, wine factories, distilleries, breweries, sugar mills, tanneries, spinning mills and weaving factories, woodworking establishments, boot and shoe factories, bat factories, chocolate works, foundries, ironworks, and chemical works. Indeed, the Argentine is thoroughly equipped in almost every sphere of productive activity, and her advance, in spite of her small population, is rapid and continuous.

Exports

The exports of Argentina have a value of about £80,000,000 annually. The most important item is wheat, which accounts for about a third of the total value. Other noteworthy exports are linseed, wool, maize, meat, hides, tallow, quebracho, and animals. Britain is the principal market for Argentine produce—taking about one-fifth of the total. Belgium, Germany, and France come next, with Brazil and the United States some way behind. Over half the value of Britain's purchases from Argentina is for wheat and maize. Beef and mutton account for over 25 per cent of the total, and the most important other items are linseed, wool, oats, tallow and stearine, raw hides, butter, tanning extracts, bone manure, and oleomargarine.

Imports

Of Argentine imports—about £60,000,000 annually—Britain supplies about 36 per cent, the United States and Germany about 15 per cent

each, with France, Italy, and Belgium following in the order given. The chief classes are cotton goods and machinery, followed by coal, railway material, metal goods, chemicals, paper, sackcloth, wine, wooden manufactures, leather goods, and apparel. The chief articles of British manufacture are iron and its manufactures, cotton goods, machinery, coal, railway carriages, woollens, ships, jute manufactures, chemicals, bags and sacks, cement, china and earthenware, hardware, electrical goods, implements and tools, linens, and painters' colours.

Customs Duties

The following are typical of the duties upon British goods entering the Argentine Republic:—

Cotton thread, from 1s. 10d. to 5'4d. per lb.
Plush, 8'71d. per lb.
Woollen shawls, 1s. 7½d. per lb.
Steel rails, free.
Cutlery, from 6d. to 10s. per doz.
Machinery, steam engines, 1s. 6½d. to 3s. 0½d. per cwt.
Tinplates, 9'80d. per cwt.
Leather belting, 6d. per lb.
Rubber shoes, 2s. 4½d. to 19s. 2½d. per doz.
Wallpaper, mostly 12s. 8½d. or 35s. 7d. per cwt.
Varnish, 40s. 8d. per cwt.
Paraffin wax, 15s. 3d. per cwt.
Coal, free.
Cement, 11s. 2d. per ton.
Copperas, 20s. 4d. per ton.
Beer, in casks, 1s. 3½d. per gallon.
Herrings, smoked, in boxes, 8s. 1½d. per cwt.
Candles, paraffin, 20s. 4d. per cwt.

Certificates of origin in triplicate are required for all goods imported. The certificates are issued free by the Argentine consular officers. One copy of the certificate must be attached to the bill of lading, one copy is returned to the shipper, and one is retained by the consul. There are special regulations regarding the importation of live animals, animal foodstuffs, plants, and seeds of forage plants.

Local Regulations

The taxes upon commercial travellers are numerous and onerous. Those visiting the city of Buenos Aires only must pay the national tax of \$500 (£43, 15s.) per annum. If they travel in the province of Buenos Aires, apart from the city, they must also pay the provincial tax of \$400 (£35), but they need not pay the former tax in addition unless they seek business in the city as well. In the other provinces of the federation the cost of

the licence varies, and is as much as \$1680 (£147) per annum in Salta, where a licence may, however, be taken for a half-year. In San Juan a yearly licence is £84, but a monthly licence is obtainable; in other provinces there are only yearly licences. Duty is charged upon samples of value, but is refunded if the goods are re-exported within six months.

The currency is nominally gold, and the dollar, or *peso fuerte* (of 100 centavos), is nominally worth 4s. The money in circulation is chiefly paper, and the paper dollar is worth '44 of a gold dollar, or 1s. 9½d.

British subjects intending to become resident, even for a short time, should obtain a certificate of nationality from a British consulate in the republic for purposes of identification, and to secure exemption from military service. Persons

intending to travel in the republic should be provided with such certificates, which are issued on personal application, and on production of certificates of birth.

British Consulates.—

Buenos Aires, Consul and Vice-Consul.

Bahia Blanca, Vice-Consul.

Campana, Vice-Consul.

La Plata, Vice-Consul and Consular Agent.

Port Gallegos, Consular Agent.

Port Madryn, Vice-Consul.

Tucuman, Vice-Consul.

Rosario, Consul and Vice-Consul.

Concordia, Vice-Consul.

Cordoba, Vice-Consul.

Paraná, Vice-Consul.

Santa Fé, Vice-Consul.

Villa Constitucion, Vice-Consul.

AUSTRIA-HUNGARY

The two states of Austria and Hungary have a common sovereign, and though distinct in many respects, are united in foreign affairs, and have a commercial union, renewable every ten years, which constitutes them one commercial territory. As such we shall consider them.

The total area of Austria-Hungary, with the new provinces of Bosnia and Herzegovina and the tiny principality of Liechtenstein, is 261,100 sq. miles, i.e. more than twice the area of the United Kingdom. The total population is about 50 millions. Hungary has a greater area than Austria, but a smaller population.

The principal cities and towns, with their populations, are: *In Austria*—Vienna, 2,000,000; Prague, 230,000; Trieste, 220,000; Lemberg, 160,000; Gratz, 138,000; Brunn, 109,000; Krakau, 109,000. *In Hungary*—Budapest, 740,000; Szeged, 103,000. The capital and largest town in Bosnia-Herzegovina is Sarajevo, with a population of 38,000.

Shipping and Railways

The only seacoast possessed by Austria-Hungary is that on the north-east shore of the Adriatic. The only ports entered by regular steamers from foreign ports are Trieste and Fiume. Trieste is reached by steamers from Marseilles, Venice, Naples, Cadiz, Brindisi, Aden, and other foreign ports; and Fiume is reached from Marseilles, Malta, and Venice. The quickest route from London to Austria is by the Orient Express via Paris and Munich to Vienna, the journey taking thirty hours. Alternative and less

expensive routes are by Dover, Ostend, Coidogne, and Nuremberg; by Harwich and the Hook of Holland; and by Queenborough, Flushing, and Dresden. The other commercial centres in Austria-Hungary are reached by the same routes.

Direct service between Austrian ports and the United States is given by the Austro-America Steamship Company (fortnightly from New York and often from New Orleans), and by the Mediterranean and New York Steamship Company (from New York twice monthly).

There are about 26,000 miles of railway in the two countries, the greater mileage being in Austria. Rather less than half the mileage is owned by the state.

The small principality of Liechtenstein (65 sq. miles) is within the Austrian Customs Union, and commercially it cannot be considered apart from Austria-Hungary.

Resources

One-third of the area of Austria is forest land, and 60 per cent is under crops and grass. The chief corn crops, according to produce, are rye and oats (each one-third of the total), wheat, barley, maize, pulse, buckwheat, mixed corn, and millets. The principal root crop is potatoes, followed by sugar beets, mangolds, and carrots. Other crops are clover, flax (chiefly for fibre), hemp (chiefly for seed), rape, cabbage, tobacco, hops, wine, and olives. The animal stock exceeds 20,000,000, almost half being cattle, followed by pigs, sheep, horses, and goats. Sheep are declining; pigs are increasing rapidly.

In Hungary the forest land is about 18 per cent of the total area, and the arable land is over 50 per cent. Of the corn-crop area nearly 40 per cent is generally under wheat and 20 per cent under maize, the remaining corn crops being barley, oats, and rye in about equal proportions, and (much less important) peas, beans, millet, and buckwheat. The other crops are potatoes, vetches, sugar beets, mangolds, rape, flax, hemp, tobacco, and hops. Vineyards are also an important agricultural industry. The most recent figures of live stock give a total of 25,000,000, one-third being sheep, over one-fourth pigs, over one-fourth cattle, one-tenth horses, and over 300,000 goats. Sheep and goats are declining in numbers, and pigs are increasing. The fishing fleet contains about 4000 vessels and employs about 16,000 men.

Mineral Wealth

Of the total value—£16,000,000 annually—of the mineral products, about 75 per cent pertains to Austria. Both countries yield gold, silver, copper, iron, lead, bismuth, antimony, zinc, alum and vitriol shale, manganese, petroleum, and coal: Austria provides also quicksilver, tin, sulphur, graphite, and lignite. Of the minerals that are common, Hungary excels in bismuth and antimony, but in all others the heavy advantage is in favour of Austria. The salt production is also important in both countries, but chiefly in Austria. The mines and smelting works of the two countries employ about 225,000 men, women, and children.

Manufactures

The principal manufacturing provinces of Austria are Bohemia, Moravia, Silesia, and Lower Austria. In some branches of manufacture Austria takes a high place among the nations of the world. These include musical, optical, and scientific instruments, for which Vienna especially is noted; glassware, the factories for which are distributed over the country, but are most numerous in Bohemia; jewellery and gold and silver plate, for which Vienna equals Paris; earthenware and porcelain, which is exported largely. The textile industries, including silks, woollens, cottons, linens, and hemp and jute, are mainly confined to the factories, but are still to some extent home industries; they employ over 300,000 hands; the tanning and leather industries over 40,000 hands. The gloves of Vienna and Prague equal those of France in quality, and follow them in volume of output. The manufacture of metal wares is responsible for an annual output in

excess of £10,000,000 yearly, and some of the products, notably scythes and reaping hooks, have a reputation far beyond the frontiers of the country. In food products beet sugar is the most important production, the yearly output having a value of about £12,000,000—Austria being second only to Germany in this trade; and the breweries and distilleries put out value for about £8,000,000 every year. Tobacco is an important state monopoly. Other branches of manufacturing activity are engaged upon machinery, woodwork, and chemicals.

Exports

The exports of Austria-Hungary have risen very much, and have an annual value of about £100,000,000, almost half the total value going to Germany. Of the other foreign countries, Britain is the principal market, with about 10 per cent of the total, and the next most important customers are Italy, Turkey, Rumania, Switzerland, France, British East Indies, Russia, United States, Egypt, Holland, Belgium, Greece, and Bulgaria. But the Austrian returns include, under the heading Britain, British possessions in the Mediterranean. The value of exports to Britain is about £8,000,000 annually, the chief commodities being sugar (refined and unrefined), which represents half the total value, eggs, gloves, jewellery, glassware, barley, silk goods, woollen goods, poultry, flour, and petroleum.

Imports

The value of the imports just about balances the value of the exports, in the region of £100,000,000. Germany has a heavy preponderance in this trade, with almost 40 per cent of the total; the United States and Britain coming next with almost equal shares; and then follow the British East Indies, Russia, Italy, France, Switzerland, Brazil, Belgium, and Turkey. The high position of the United States is due to Austria's purchases of raw cotton. The exports of British produce and manufactures to Austria have risen greatly; for instance, the year 1907 saw an increase of almost 100 per cent over 1906, due to exceptional purchases of ships and coal, and to the great increase in the purchase of cotton yarn. After the articles mentioned, the principal trade lies in machinery, cotton manufactures, woollens, iron manufactures, chemicals, leather, rubber goods, silk goods, and stationery.

Generally it is only the more expensive classes of British goods that can find a market in Hungary. Amongst these are agricultural machinery, engineering specialities, parts of machines, motor

cars, tools, sport and fancy articles, silk, woollen, and cotton tissues.

The difficulty of finding agents in Hungary has been somewhat obviated by the formation of a responsible committee of delegates of the principal commercial and industrial associations of the country. This committee recommends the names of respectable agents to the foreign consulates. British merchants are warned as to the choice of agents in Bosnia-Herzegovina, as credit is long and uncertain.

Customs Duties

The following may be taken as typical of the duties imposed by the Austrian Customs Union upon produce and manufactures of the United Kingdom.

Cotton thread, prepared for retail sale, 3·77*d* per lb.
Cotton velvets, 9½*d*. per lb.
Woollen shawls, 1*s*. 9½*d*. per lb.
Steel rails, 2*s*. 6½*d*. to 3*s*. 0½*d*. per cwt.
Cutlery, mostly 65*s*. 7*d*. per cwt.
Machinery, steam engines, from 7*s*. 7½*d*. to 16*s*. 11½*d*. per cwt.
Tinplates, from 7*s*. 7½*d*. to 9*s*. 1½*d*. per cwt.
Leather belting, 24*s*. 7*d*. or 28*s*. 9*d*. per cwt.
Rubber shoes, 12*s*. 2½*d*. per cwt.
Wallpaper, 23*s*. 3*d*. or 25*s*. 5*d*. per cwt.
Varnish, 25*s*. 5*d*. per cwt.
Paraffin wax, refined, 7*s*. 7½*d*. per cwt.
Coal, free.
Cement, 10*s*. 2*d*. per ton.
Copperas, 10*s*. 2*d*. per ton.
Beer, in casks, 2*s*. 1½*d*. per cwt.
Herrings, salted or smoked, 2*s*. 11½*d*. per cwt.
Candles, paraffin, 11*s*. 10½*d*. per cwt.

Certificates of origin are not necessary in the case of goods imported into Austria-Hungary, except in a few cases of frontier traffic.

Local Regulations

Commercial travellers should carry certificates of identity, which may be obtained from British Chambers of Commerce or from Mayors of towns. Commercial travellers may not solicit orders from the general public or from traders not dealing in the goods offered. There are a few exceptions to this law—including cycles and motor cars, machinery, building material, typewriters, sewing-machines, and fine linen. The regulations in Austria differ slightly from those in Hungary, but acquaintance with the full provisions of both is highly desirable before entering the country. A deposit is required in respect of samples entering the country, but it is refunded upon exportation. Reduced tariff for the conveyance of sample cases by rail—½*d*. per cwt. per mile.

The monetary unit is the crown, *krone* or *korona*, of 100 *hellers* (in Hungary, *fillers*), which is worth 10*d*. The British sovereign equals 24 crowns. The metric system of weights and measures is obligatory. For their British equivalents see "France".

Persons entering Hungary from Servia or Rumania must be provided with passports. For purposes of residence, a passport or other document to prove identity is necessary.

British Consulates.—

Vienna, Consul-General and Consul.

Brünn, Vice-Consul.

Innsbruck, Vice-Consul.

Lemberg, Vice-Consul.

Prague, Consul and Vice-Consul.

Budapest, Consul-General and Consul and Vice-

Gravosa-Ragusa, Vice-Consul. [Consul.

Fiume, Consul and Vice-Consul.

Sarajevo, Consul.

Lissa, Consular Agent.

Trieste, Consul and Vice-Consul.

BELGIUM

Belgium has an area of 11,370 sq. miles, so that it is one-half larger than Wales, and it has a population of over 7,000,000. It contains more people per square mile than any other European country, with the exception of the kingdom of Saxony. The chief cities and towns, with their populations, are: Brussels (the capital), 619,000; Antwerp, 314,000; Liège, 176,000; Ghent, 161,000. No other town exceeds 60,000 in population. The once-busy Bruges has less than 60,000 and only about one-quarter of its population when it was the busiest mart in Northern Europe.

Shipping and Railways

The ports of Belgium are Antwerp, Ghent, and Ostend, the first two being river ports. From Britain, Antwerp is reached by sailings from Harwich (daily), Grimsby (thrice weekly), Hull (twice weekly), Newcastle (weekly), and Leith (twice weekly). Ghent has direct steamer communication with Hull and Leith at least weekly, and Ostend is reached from Dover several times daily. The quickest routes from Britain to Belgium are by Dover-Ostend and by Queenborough-Flushing. Steamer service between Ant-

werp and the United States is given by the Red Star Line (weekly or semi-weekly to New York, weekly or fortnightly to Philadelphia), Phoenix Line (weekly to New York, fortnightly to Newport News and Norfolk), White Cross Line (monthly to New York and Boston), Wilson Line (fortnightly to New York), Puritan Line (monthly to Boston and Baltimore), New Orleans Line (monthly to New Orleans), Hansa St. Lawrence Line (to Boston in winter months), Castle Line (to Galveston), Antwerp Naval Stores Company (monthly to Savannah, Ga.), Compagnie des Chargeurs Reunis (to New Orleans). Belgium has 2860 miles of railway, nearly all owned by the State, and 1350 miles of navigable rivers and canals.

Resources

The Belgians have been held up as the model agricultural nation, and the reputation is deserved, not for the extent, but for the intensity of the agriculture, and for the steadily applied skill that adapts the crops and the methods of farming to the nature and limitations of the individual plots of land. Every province has an Agricultural Commission, and delegates from the Commissions, assisted by specialists, constitute a Supreme Court of Agriculture. Almost 60 per cent of the area of the country is under cultivation, and about 18 per cent under forest. The population connected with agriculture is nearly 20 per cent of the total. Oats and rye are the great cereals, and yield two-thirds of the entire cereal output. Wheat has over 20 per cent of the output, and the remaining 15 per cent is divided between barley, spelt, mixed corn, beans, peas, and buckwheat. The root crops, in order of output importance, are turnips, mangolds, sugar beets, potatoes, spergula, and carrots. The other great crops are flax and chicory, and minor crops are tobacco, hops, and colza. The chief stock is cattle, with pigs and horses next in importance. The sheep and goats tend to diminish in numbers.

The forests of Belgium yield hardwoods, principally oak. Oak bark, obtained from the copse that succeeds the cutting of the big timber, is used locally, and exported to British tanneries. The wood that is not good enough for working provides charcoal that is used by the Belgian iron industries. The practice of economy and the utilization of refuse and waste products pervades Belgian agriculture and forestry to a supreme degree, and no nation makes more of its natural resources. The fisheries of Belgium are of subordinate importance. The fishing boats number almost 500, and the catch is principally herring; but its value is only a little in excess of £200,000 annually.

The mineral wealth of Belgium is located almost entirely in the four provinces of Hainaut, Liège, Namur, and Luxemburg. The great mineral is coal, the quantity raised being about 24,000,000 tons annually, and the value about £16,000,000; about a quarter of the quantity is exported, chiefly to France. The output of iron-mining activity fluctuates, and is now below high-water mark both in quantity and value. The annual quantity raised, including manganiferous iron ore, is about 300,000 tons. The other minerals are small in comparison with coal and iron. Zinc blende used to have an annual output of over 12,000 tons, but it has fallen nearly to one-fourth of that quantity. Lead ore used to claim 3000 tons, but it is now below 300. Iron pyrites has sunk to insignificant quantity and value.

Belgium is a hive of manufacturing industry. The iron ore is reduced to merchantable form in the blast furnaces, foundries, and rolling mills. Belgian rails, girders, and sections find their way into the five continents. The iron industries, not including mining, employ over 30,000 work-people. Zinc, lead, and silver employ about 8000 people in their metallurgical manipulation. Many sugar factories and refineries, and also many distilleries, are in active operation. In textile manufacturing, cottons, woollens, and silks are advancing rapidly; the fine linens of Flanders are world-renowned, and the lace of Brussels and its vicinity is proverbial for its beauty and quality. Glass and glassware, hosiery, paper, carpets, beer—these are only a few of the remaining more prominent industries of a country industrious by nature and long practice.

Exports

The exports of Belgium have an annual value in excess of £100,000,000. Of this value Germany takes about 25 per cent, France about 20 per cent, Britain about 15 per cent, Holland about 10 per cent, and the United States about 4 per cent. The other chief purchasers are Italy, the Argentine Republic, Chile, China, Egypt, Brazil, Russia, Spain, Switzerland, Austria, and India. The most important group is that of iron and steel, the exports in this department exceeding £8,000,000 annually. Locomotives—principally railway locomotives and vehicles—are next in order of importance, and zinc is the other great export of the metal and engineering trades. Cereals are exported to the value of over £5,000,000, and flax, coal, and glass are important. Animals and animal produce—including horses, hides, meat, tallow, and butter—account for a large sum. The textile group—linen yarn and manufactures,

woollen yarns and cloths, and cotton manufactures—has a value of almost £9,000,000, the principal individual item being linen yarn. The other great items are arms, paper and paper hangings, salts of soda, resins and bitumens, stone, and sugar (raw and refined).

The British returns of imports from Belgium now show only goods actually consigned from Belgium, and not German or other non-Belgian goods exported through Belgian ports. The total value of these imports is about £18,000,000 per annum. The principal items in this total are as follows: Iron and steel and manufactures thereof, especially steel ingots, blooms, and bars, iron bars, angles, and rods, nails, screws, and rivets, ship plates, and steel girders, and beams; window, plate, and flint glass; flax; woollen and worsted yarn; crude zinc; cotton manufactures, especially piece goods, trimmings, and lace; sugar, refined and unrefined; and linen yarn.

Imports

Belgium's imports have a value of about £150,000,000 annually, to which value France contributes about 20 per cent, Germany about 12 per cent, Britain almost as much, the United States about 10 per cent, with Holland, the Argentine Republic, and Russia a little way behind. The most important import is grain and grain products, which account for 15 per cent of the total value of imports. Other imported food-stuffs are butter, coffee, fish, meats, and wine. Apart from these food products, the important classes are chiefly raw materials for use in Belgian industries, and such raw materials include principally coal, raw copper, raw cotton, dyes, flax, hemp, hides, iron ore and pigs, raw minerals, petroleum and other mineral oils, seeds and manures, raw silk, tallow and fat, tow, timber, and raw wool. The chief articles in manufactured goods are cotton manufactures (with a little cotton yarn), flax yarn, iron and steel goods, machinery, wine, and woollen manufactures.

Exports of British produce and manufactures to Belgium amount to about £11,000,000 annually. The chief items contributing to this total are cotton manufactures, machinery, ships and boats, coal, iron and steel, and manufactures thereof, woollen and worsted manufactures, chemicals, cotton yarn, horses, and raw wool.

Customs Duties

The following are typical of the duties upon Belgian imports from Britain:—

Cotton thread for retail sale, mostly 8 per cent *ad valorem*.

Cotton velvets, dyed or printed, 4½d. per lb.
Woollen shawls, 15 per cent *ad valorem*.
Steel rails, 5d. per cwt.
Cutlery, mostly 13 per cent *ad valorem*.
Machinery, of cast iron, 9½d. per cwt.
Tinplates, free.
Leather belting, 12s. 2½d. per cwt.
Rubber shoes, 10 per cent *ad valorem*.
Wallpaper, 3s. 3d. per cwt.
Oil varnish, free.
Paraffin wax, free.
Coal, free.
Cement, free.
Copperas, free.
Beer, in casks, 2½d. per gal.
Fish, salted or smoked, free.
Candles, 4s. 0½d. per cwt.

Certificates of origin are not required for goods imported into Belgium, except in the case of sugar and rags entering from countries bordering on Belgium. A special duty is levied upon sugar from countries giving bounties on the production or exportation of sugar, and sugar from other countries may avoid payment of this special duty only by the production of certificates of origin.

Local Regulations

Commercial travellers visiting Belgium are not subject to any tax, licence, or other regulations as commercial travellers. Samples are not inspected by Customs on importation if the British Customs authorities have marked the cases, and if the traveller produces an officially-attested list of contents.

The weights and measures are those of the metric system (see "France"), and the currency is the same as that of France.

For purposes of residence, registration at the Police Office of the district is required, and a passport is accepted as evidence of identity.

British Consulates.—

Antwerp, Consul-General and Vice-Consul.
Bruges and Zeebrugge, Vice-Consul.
Brussels, Vice-Consul.
Charleroi and Mons, Vice-Consul.
Ghent, Vice-Consul.
Liège, Vice-Consul.
Ostend, Vice-Consul.
Spa, Vice-Consul.

Belgian Congo

The Belgian Congo has an area of about 900,000 sq. miles, and a population of about 20,000,000, including fewer than 3000 Europeans. The capital is Boma, on the Congo, which is visited every three weeks by a vessel of the

Compagnie Belge Maritime du Congo sailing from Antwerp, via Tenerife. There are 300 miles of railway, and other 900 miles are in course of construction. The waters of the Congo afford good internal communication, which is maintained by some 40 steamers. The great product is rubber, which is exported to the value of £1,500,000 annually; and the other chief products are ivory, palm nuts and oil, copal, gold, cocoa, coffee, copper, and tin. The exports have a value of over £2,000,000, and the imports exceed £1,000,000 annually. The chief trade is with Belgium. Exports to Britain direct vary between £20,000 and £70,000, one-third being for rubber and the rest for ivory, palm nuts and oil, and gum. Imports from Britain exceed £100,000, some 60 per cent being for cotton goods and the rest for general

merchandise, of which no particular article is specially prominent.

Certificates of origin are not required for goods imported into the Belgian Congo.

The commercial traveller must pay an annual personal tax of £6, and his licence must be *visé* at the frontier each time the traveller enters or leaves the country, a charge of 5 francs (4s.) being made for each *visé*.

The monetary system and the weights and measures are as in Belgium.

• *British Consulates.*—

Boma, Consul.

Leopoldville, Vice-Consul.

Katanga, Vice-Consul.

Stanleyville, Vice-Consul.

Kasai District, Vice-Consul.

BOLIVIA

(See also South America)

Bolivia is a land-locked state in the centre of South America. Over one-half of the population is Indian, over one-quarter half-breed, and the white only one-eighth of the total.

The capital is La Paz (80,000), and the other chief towns are Cochabamba (30,000), Sucre (28,000), Potosí (25,000), Oruro (21,000), and Santa Cruz (21,000). The best means of access to Bolivia is from the west, by the railway from Mollendo on the Peruvian coast, which crosses the Andes at an altitude of about 15,000 ft. Trade of the eastern section finds entrance and exit by the rivers flowing into the Río de la Plata. Important railway works are at present in progress, and quite a network of railway lines will connect the principal Bolivian towns with Arica, a port in the north of Chile. The new system will prove of great advantage to Bolivia. On the eastern side a railway under construction from Santa Cruz to the Paraguay River will give Bolivia access to the Atlantic, and on the south the Argentine railways will be linked up with the Bolivian railways. Thus, before the year 1920, Bolivia, from being a mountain-hemmed area without convenient access and exit, will have many avenues of communication open to her people and her commerce.

Resources

Only a comparatively small proportion of the country has been brought under cultivation. Although agriculture is carried on by primitive methods and appliances, the agricultural produce is considerable and varied, including wheat, maize,

barley, beans, potatoes, coffee, coca, and quina. There are large herds of cattle, sheep, and llamas, and both wool and hides are exported. Rubber is exported in considerable quantities, and the forest timbers of the northern parts will be made accessible to the markets of the world if communication be established with the Atlantic by the great tributaries of the Amazon. The great mineral of Bolivia is silver, and the great silver district of Potosí, discovered by the Pizarros, has been worked for centuries. The other minerals include copper, tin, bismuth, lead, zinc, antimony, wolfram, and gold. Manufacturing industries scarcely exist. Under the stimulus of capital and with adequate labour, enterprise in developing the resources of Bolivia would reap a rich harvest.

The exports of Bolivia have a value of about £4,000,000 annually. The chief items are tin, silver, rubber, copper, and bismuth. Goods consigned from Bolivia to Britain have a value of about £1,250,000, nearly the whole being for tin ore, with small values for copper ore, silver ore, and rubber.

Imports

The annual value of the imports of Bolivia is about £3,500,000, and the chief items are cottons, woollens, cattle, provisions, machinery, alcoholic beverages, and apparel. Germany and Britain have about equal shares—under 20 per cent. The next most important sources are Chile, Peru, the United States, and Argentina. Britain's exports to Bolivia direct consist chiefly of woollen tissues, cottons, metals, and machinery.

No certificates of origin are required for goods imported into Bolivia, but all invoices must be certified by a Bolivian consul.

Local Regulations

Commercial travellers are subject to a municipal tax, levied in the capitals of the departments of which there are eleven. The highest municipal tax is 300 Bolivian dollars (£23, 15s.), and if the traveller work all the departments the expense will be high. Samples are allowed to pass the Custom House upon giving a bond to pay duty

if the samples remain in the country. The cost of the formality is from 10s. to 20s.

A law of 1906 established a gold standard in the Bolivian currency, the peso to be equal to one-fifth of £1 sterling. British gold is legal tender as well as Bolivian coins. The currency before 1906 was the silver *boliviano*, nominally equal to 5 francs, but usually worth about 2s. in the exchange.

For passports see under "Peru".

British Consulates—

La Paz, Consul-General, Vice-Consuls.

Oruro, Vice-Consul.

Sucre, Vice-Consul.

BRAZIL

(See also South America)

Brazil is the largest of the South American republics, and contains almost half the entire population of the continent. Its area is greater than that of the United States or of Australia. About two-fifths of the population is white, one-third of mixed white and Indian blood, one-seventh negroes, and one-tenth Indian. Nearly the entire population is settled on the coast strip from the Amazon to the Rio de la Plata. The interior of Brazil contains the largest tract of fertile and habitable land on the globe that remains unimproved and in great part unexplored. The resources of the country have begun to attract more than formerly the stream of western emigration from congested Europe, but the country could well afford sustenance and livelihood for ten times its present population. The capital of the country is Rio de Janeiro, also the principal port, with a population of over 800,000. The other ports and centres of commerce are Bahia (230,000), Pernambuco (120,000), Pará or Belem (100,000), Santos (35,000), Porto Alegre (80,000), Manaus (40,000), San Luiz (32,000), Ceará (33,000), Paraíba (32,000), and Maceio (33,000). São Paulo is a city a few miles inland from the port of Santos, and its development has been phenomenal, the population being about 400,000. There are about 12,000 miles of railways in the settled parts, but the only transport facilities for the sparsely settled interior are provided by the river systems.

Resources

From the Pará district of Brazil comes the best quality of rubber the world produces, and the output is great. Of cultivated products coffee is the most important, and then follow sugar, tobacco, cotton, maté or Paraguay tea, cocoa, and nuts. The forests have abundance of valuable

timbers, but they have never been exploited properly. Agriculture is encouraged by itinerant instructors and agricultural schools supported by Government. Cattle-breeding is important in the extreme south, and the exports of hides are considerable. Coal and gold, mica, talc, copper, platinum, rock crystal, agate, and monazite sand are mined, and the unexploited minerals include silver, lead, zinc, iron, manganese, and quicksilver. There is also diamond-mining in several provinces.

Manufacturing enterprise has developed chiefly in the textile industries. The manufactories include cotton mills, silk mills, woollen factories, flour mills, and breweries. Other manufactures are on a much smaller scale for purely local markets.

Exports

The value of Brazil's exports is over £60,000,000 annually. Fifty per cent of the total value is for coffee, 30 per cent for rubber, and after these come leather, maté, cocoa, tobacco, hides, sugar, and cotton. The growth of the exports of raw cotton and cotton seed has been phenomenal, and Brazil promises to take an important place among the cotton suppliers of the world. In the list of Brazil's customers the United States takes first place, with about one-third of the total value exported. Germany and Britain come next with about equal quantities, and France is fourth. More than two-thirds of the purchases of the United Kingdom is for rubber, and the other items with annual values of £100,000 or over are raw cotton, coffee, manganese ore, cotton seeds, skins and furs, sugar, cocoa, and nuts.

Imports

The imports of Brazil have a value of about £40,000,000 annually, the countries of supply

accounting for the following proportions: Britain, over 25 per cent; Germany, almost 15 per cent; United States, Argentina, France, about 10 per cent each. The most important classes represented in the list of purchases from Britain are: cotton manufactures, iron manufactures, coal, machinery, jute and its manufactures, ships, woollens, vehicles (including railway carriages), china and earthenware, hardware and cutlery, tools, linen goods, and copper and its manufactures. There has been a falling off or a want of progress in British trade with Brazil, although in that market it is admitted that no goods have a better name than British goods, and no merchants stand higher than British merchants for fair methods of business. Correspondence should be in Portuguese, not Spanish; but a fully equipped traveller with samples is really necessary to secure business. A pronounced feature is the small part that the United States plays in the trade of an important territory in the new hemisphere.

Certificates of origin are required for goods imported into Brazil only when differential treatment is accorded to the goods in question in consequence of their origin, as in the case of certain goods imported from the United States of America, on which lower duties are levied. These certificates are in special form, and copies may be obtained from Brazilian consular agents. All invoices, however, must be certified by a Brazilian consul.

Local Regulations

In the states of Rio de Janeiro, Pernambuco, and São Paulo no taxes are imposed upon com-

mercial travellers. In other districts taxes vary from £6, 5s. in Corumba and São Luiz to £62, 10s. in Bahia. Samples of value are subject to duty, which is refunded upon exportation.

The unit of currency in Brazil is the silver milreis (of 1000 reis), which is of the par value of nearly 2s. 3d. The British sovereign equals 8·892 milreis.

Persons intending to become resident should register their names and addresses at the nearest British Consulate.

British Consulates.—

Bahia, Consul and Vice-Consul.

Aracaju, Vice-Consul.

Pará, Consul.

Manáos, Vice-Consul.

Maranhão, Vice-Consul.

Pernambuco, Consul and Vice-Consul.

Ceará, Vice-Consul.

Maceio, Vice-Consul.

Paraíba, Vice-Consul.

Rio Grande do Norte, Vice-Consul.

Porto Alegre, Consul.

Rio Grande do Sul, Vice-Consul.

Uruguayana, Vice-Consul.

Rio de Janeiro, Consul-General and Vice-Consul.

Cuyabá, Vice-Consul.

Morro Velho, Vice-Consul.

São João del Rey, Vice-Consul.

Victoria, Vice-Consul.

São Paulo, Consul.

Curitiba, Vice-Consul.

Santos, Vice-Consul.

Sta. Catharina, Vice-Consul.

BULGARIA

Bulgaria has an area of 37,200 sq. miles, so that it is about three-fourths as large as England, and the population is in excess of 4,000,000. The capital is Sofia, with a population of about 100,000.

Shipping and Railways

The chief ports are Varna (38,000) and Bourgas (6000), both on the Black Sea. The River Danube constitutes the frontier between Bulgaria and Rumania. The Bulgarian towns on the Danube are Rustchuk (34,000) and Vidin (15,000), which are served by Danube steamers plying between Budapest and Galatz.

Sofia is reached by rail via Vienna, from which city it is distant 640 miles, or 35 hours. Varna is reached by steamers from Constantinople by

semi-weekly sailings taking 14½ hours, and Sofia is 335 miles by rail from Varna.

Bulgaria has about 1000 miles of railway, mostly state-owned, and the Danube gives a convenient means of water transport on the north; but otherwise communication is deficient, the roads being very bad.

Resources

Bulgaria, like Servia, is an agricultural country under peasant ownership, or rather the land is state-owned and leased in perpetuity to its peasant farmers. Over one-third of the total area is cultivated, and almost one-third is forest land. Over 70 per cent of the population finds employment in agriculture. The great cereal is wheat, and the other agricultural crops are wine, tobacco, cotton, rice, and roses. The last-named yield the attar of

roses for which Bulgaria is famous. The stock animals number about 13,000,000, of which number almost two-thirds are sheep, one-fifth cattle, one-tenth goats, and the remainder horses, pigs, asses, and mules. The state owns all minerals; stone is quarried extensively, the annual recovery being about a million cubic metres; and salt and coal are mined. Unworked deposits include iron, gold, silver, lead, copper, and manganese.

Rough textiles are woven—woollens and cottons—and there are flourmills, sawmills, tanneries, distilleries, breweries, a sugar factory, brick and tile works, cigarette and filigree manufactories.

The exports of Bulgaria have an annual value of about £5,000,000. The proportions bought by the different countries fluctuate very much, but the chief purchasers are usually Turkey and Belgium, with Britain third on the list. The exports are practically all agricultural or pastoral, over one-half the total value being for cereals—wheat, maize, barley, and rye. The other exports are sheep, cattle, horses, mules and asses, silk cocoons, hides and skins, wood, attar of roses, and a small value in rough woollens. Britain's imports from Bulgaria fluctuate exceedingly, but they average about £250,000 annually, and consist chiefly of cereals, sometimes maize and sometimes wheat being the principal item. Attar of roses is also prominent.

Imports

Bulgarian imports have an annual value of about £5,000,000, the principal contributor being Austria-Hungary with about 30 per cent of the total; Britain, under 20 per cent; Turkey and Germany about 15 per cent each; but the proportions vary much from year to year. The principal articles are cotton manufactures and yarns, woollens, ready-made clothing, iron and iron goods, wood, petroleum, olive oil, sole leather, paper, coffee, and coal. Britain's exports to Bulgaria have a value of about £800,000 annually, two-thirds of the value being for cotton yarn and manufactures, and the remainder being principally iron, machinery, copper, tin, coal, chemicals, and woollen goods.

The following are typical of the duties charged upon produce and manufactures of Britain imported into Bulgaria:—

Sewing thread, 3·92*d.* per lb.

Cotton velvets, 6·10*d.* per lb.

Woollen shawls, 9·58*d.* per lb.

Steel rails, 9½*d.* per cwt.

Cutlery, mostly 61*s.* per cwt.

Machinery, free.

Tinplates, 1*s.* 7½*d.* per cwt.

Leather belting (under certain conditions), free.

Rubber shoes, 4·35*d.* per lb.

Wallpaper, 8*s.* 1½*d.* per cwt.

Oil varnish, 30*s.* 6*d.* per cwt.

Paraffin wax, 4*s.* 0½*d.* per cwt., or free if for industrial use.

Coal, 2*s.* 0½*d.* per ton.

Cement, 10*s.* 2*d.* per ton.

Copperas, 8*s.* 1½*d.* per ton.

Beer, in casks, 4*s.* 0½*d.* per cwt.

Herrings, smoked, 20*s.* 4*d.* per cwt.

Candles, paraffin, 8*s.* 1½*d.* per cwt.

Certificates of origin must accompany all goods, except cotton, imported into Bulgaria. Certificates may be issued by Custom Houses, Chambers of Commerce, or Bulgarian Diplomatic and Commercial agencies. The commercial agreement between Britain and Bulgaria provides that certificates of origin in respect of British goods, which are subject to special rates of duty fixed by treaty, must be drawn up in a prescribed form. These special certificates must be issued by British Chambers of Commerce or local authorities.

Local Regulations

Any house having representatives in Bulgaria must pay a tax of £6 per annum, or £4 per half-year; but this amount covers more than one traveller if necessary. If a traveller represents more than one house, the taxes are £10 and £6 respectively. Travellers should carry legitimation certificates issued by British Chambers of Commerce or consular authorities upon prescribed forms.

The monetary unit of Bulgaria is the *leva*, which is of the value of a franc. The weights and measures are those of the metric system (see "France").

Travellers should carry passports of recent date. Bulgarian *visa* is not required.

British Consulates —

Sofia, Consul-General and Vice-Consul.

Bourgas, Consular Agent.

Philippopolis, Vice-Consul.

Rustchuk, Consular Agent.

Varna, Vice-Consul.

CENTRAL AMERICA

(See also the separate States in their alphabetical order.)

The Central American States, with their probable area and population, are as follows:—

	Square Miles	Population.
Guatemala	48,290	1,883,000
Honduras	46,250	550,000
Salvador	7,225	1,116,000
Nicaragua	49,200	430,000
Costa Rica	18,400	360,000
Panama	33,800	420,000

The area of Nicaragua, the largest of the six, is just a little less than that of England; and Salvador, the smallest of the group, is a little smaller than Wales. The area of the six is just four times the area of England. British Honduras is excluded from our consideration here, as it has its place among the British colonies (see Chapter VI of this Part).

Although it might be expected that, in a well-defined zone such as Central America is, the economic importance of the several states might bear some relation to the areas and the populations, this is far from being so. Costa Rica has the smallest population of any, and her area is less than half the area of Guatemala, Honduras, and Nicaragua, yet she offers a market much more important than these other states, both from the point of view of her imports and her exports. This does not take into account the purchases of Panama's canal supplies; the exceptional and temporary market for machinery, materials, and stores occasioned by the making of the great trans-isthmian waterway must naturally not be taken into account in an examination of trade conditions. But while Costa Rica holds first place on both accounts at present, there is no doubt that the canal, when it is open to service, will make of the republic of Panama a market of importance that will soon overshadow that of Costa Rica as a purchaser of imported goods. Panama's exports, however, are relatively small, and there is little likelihood that she will emulate Costa Rica in the near future. Blood has a good deal to do with the comparative industrial prosperity of the different political states, those where there is only a very small proportion of European blood being the backward states. The progress of Panama is assured, because it is now virtually a dependency of the United States, whose interests in the canal zone will be both a guarantee for satisfactory political and financial control of affairs, and an inducement to the inauguration and development of industrial enterprises.

In all the States of Central America the metric

system of weights and measures (see "France") is the legal standard, but the old Mexican weights and measures still linger in commercial practice (see "Mexico").

Shipping

The ports of Central America may be reached from Europe via New Orleans, the West Indies (the point of transhipment being Barbados or Jamaica), and in some cases direct. The chief direct services are as follows:—

Royal Mail Steam Packet Company fortnightly from Southampton and Cherbourg to Barbados, Trinidad, Porto Colombia, Cartagena, Colon, and thence to Jamaica and New York.

Elders and Fyffes' Line from Manchester weekly to Colombia, and from Barry fortnightly to Costa Rica.

Hamburg-America Line thrice monthly from Hamburg and Havre (and once monthly from Southampton) to Vera Cruz and Tampico.

Leyland Line from Liverpool and Glasgow for St. Thomas, Colon, Kingston, Coatzacoalcas, Vera Cruz, Tampico, La Guayra, Curaçao, and Cartagena.

Compagnie Générale Transatlantique from Havre and St. Nazaire to West Indian and Central American ports.

Most of the Central American centres are conveniently reached via Colon, the Atlantic end of the Panama Canal. The Central American ports on the Gulf of Mexico are in communication with ports of the United States by the Creole Line from Genoa via New Orleans; the Honduras & Central American Steamship Company from New York; Macheca Brothers' Line from New Orleans; the New York, Belize, & Central American Royal Mail Steamship Company from New York; the Oteri Line and the Tweedie Line from New York and New Orleans; the Ellinger Line from New York; the United Fruit Company's Line from New Orleans; the Atlas Line from New York; Merchant's Line and the Prince Line from New York. The Pacific ports of Central America are connected with San Francisco and other Pacific ports by the services of the North American Navigation Company, the Pacific Mail Steamship Company, the Pacific Steam Navigation Company, and the Compañía Sud Americana de Vapores (the Chilean Line).

Passports

Central America.—Possession of passports is desirable for personal security and for purposes of identification.

Guatemala.—Alien residents are required to present at the Guatemalan Foreign Office passports *viséd* by the Diplomatic or Consular officer in Guatemala of their native country.

Honduras.—Special regulations in times of disturbance.

Nicaragua.—No regulations in times of peace; but, to leave the country, a local passport must be obtained from the Minister of War.

Salvador.—Travellers should carry passports, and should, in addition, obtain passports (25 cents) from the Government of Salvador.

CHILE

(See also South America)

Chile ranks seventh among the South American republics in point of size, and fourth in population. The country is a narrow coast strip on the Pacific and has the advantage of accessibility, so that transport difficulties do not hamper its development as in some of its less favoured sister republics. Its length is 2629 miles, from the hot desert at its northern end to the bleak and storm-beaten Cape Horn stretching towards the Antarctic. Between these two extremes of geographical area and of climate there are semi-tropical and temperate zones, where industries of many kinds find materials and conditions that give them scope and profit.

By far the greater part of the population is of European birth or descent. The chief towns are Santiago, the capital (333,000), Valparaíso (162,000), Concepción (55,000), Iquique (40,000), Talca (38,000), Chillán (34,000), Antofagasta (33,000), Viñadel Mar (26,000), Curicó (18,000), Temuco (16,000), La Serena (16,000), Talcahuano (16,000), Valdivia (15,000), Punta Arenas (12,000), Taltal (11,000), Quillota (11,000), and Puerto Montt, the chief port of the Chilean archipelago.

Valparaíso is the chief port, and from it a railway runs to the capital. Chile, which built the first railway in South America, has now more than 3000 miles of railway line in operation, and the roads are better generally than in most of the other republics. The Andes have been pierced at an altitude of 10,500 ft., and there is a through railway from Buenos Aires to Valparaíso (36 hours).

Resources

The central geographical zone is temperate, and cereals, fruits, and vines are grown, and cattle raised. Farther south the rainfall is more generous and the climate cooler; in this zone wheat, cattle, and lumbering are the chief industries. The most southerly zone, that towards Cape Horn, has a rigorous climate, but affords a livelihood for shepherds, lumbermen, and fishermen. North of the middle zone first mentioned is a semi-torrid zone, where agriculture is carried on only in

favoured patches, and where mining is the chief industry. Then in the extreme north lies the desert zone, with the famous nitrate beds and other mineral wealth, but where agriculture is impossible.

The cereal products of Chile are principally wheat, barley, and maize; other agricultural products are beans, potatoes, wine, and alfalfa. The stock raised includes sheep, cattle, horses, goats, pigs, and mules. The subsidiary industry of dairy farming is becoming more important. By far the leading mineral product and article of export is nitrate of soda; and other minerals, in the order of their importance, are copper, coal, iodine, calcium borate, gold, silver, and sulphur. Chile used to provide most of the copper for the world, but the opening up of copper mines in other countries robbed her of the first place.

Among the manufactures established in Chile are textile, leather, woodworking, pottery, and brewing industries, but the output finds only a domestic consumption.

The exports from Chile have a value of about £24,000,000 annually, of which three-quarters represents nitrate of soda. Then come copper, wheat, borate of lime, iodine, leather, oats, wool, bran, barley, and haricots. The United Kingdom takes 50 per cent of the exports, Germany 20 per cent, the United States 15 per cent, and France over 5 per cent. Britain's purchases consist of copper ore, regulus, and ingots, nitrate of soda, wheat, wool, barley, silver ore, tin ore, oats, mutton, skins and furs, and borate of lime. It will be observed that Chile's wealth as at present exploited for export lies in the domain of minerals.

Imports

Chile's imports have a value of about £20,000,000 annually, and the principal items are machinery, coal, cotton goods, woollens, railway material, cattle, sugar, paper, mineral oil, and wood. Britain provides over one-third of Chile's imports, Germany about one-fourth, the United States about one-ninth, and France one-fifteenth. In Britain's share the chief items are cotton manufactures,

iron and steel goods, coal, woollen goods, and machinery.

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Local Regulations

There are no licences or regulations affecting commercial travellers as such. Samples are allowed entry into the country under an IOU for the duty chargeable upon them, and if the goods are exported within six months the IOU is cancelled; otherwise the duty must be paid.

The currency of Chile is based on the gold peso or dollar, which contains 100 centavos and is worth 4s. The paper currency is being gradually redeemed by the new gold currency at the rate of 1s. 6d. per peso. Coins known as the *escudo*, *doblon*, and *condor* are worth 2, 5, and 10 pesos respectively. The British sovereign is legally worth 13½ paper pesos.

British Consulates.—

Antofagasta, Consul and Vice-Consul.
Caldera, Vice-Consul.
Caleta Coloso, Vice-Consul.
Carrizal Bajo, Vice-Consul.

Chañaral, Consular Agent.
Copiapo, Consular Agent.
Mejillones, Vice-Consul.
Taltal, Vice-Consul.
Tocopilla, Vice-Consul.
Coquimbo, Consul.
Iquique, Consul and Vice-Consul.
Arica, Vice-Consul.
Caleta Buena, Vice-Consul.
Junin, Vice-Consul.
Pisagua, Vice-Consul.
Valparaiso, Consul-General and Vice-Consul.
Ancúd, Vice-Consul.
Concepcion, Vice-Consul.
Coronel, Vice-Consul.
Los Andes, Consular Agent.
Lota, Vice-Consul.
Punta Arenas, Consul.
Santiago, Consul.
Talcahuano, Vice-Consul.
Temuco, Consular Agent.
Tomé, Vice-Consul.
Traiguén, Vice-Consul.
Valdivia and Corral, Vice-Consul.

CHINESE EMPIRE

The Chinese Empire occupies about one-third of the continent of Asia, having an area of about 4,300,000 sq. miles, so that it is larger than the entire continent of Europe, and about eighty-six times as large as England. It consists of China Proper, Manchuria, Mongolia, Tibet, and Chinese Turkestan, and the conditions are so diverse in these various sections of the empire that they ought to be considered apart. The population of the entire empire is reckoned at about 430,000,000.

China Proper has an area of 1,532,000 sq. miles and a population estimated at about 400,000,000. The political capital is Peking, with a population of 700,000. Until the middle of the nineteenth century foreign trade was restricted to the mouth of the Canton river, but since then many ports have been thrown open, until they now number thirty in all. By far the greatest volume of foreign trade is carried on at Shanghai, at the mouth of the Yang-tze. The total number of foreigners in the treaty ports is about 17,000. The inland trade of China is of enormous magnitude. Its great rivers and their tributaries, which are open to foreign craft, pierce its provinces in all directions, and swarm with junks, barges, and other craft, so that the Chinese tonnage is thought to be almost equal to the tonnage of all the world beside. Away from these water-

ways, however, good roads are very few, and transport is difficult and costly. There are over 4000 miles of railway open, and Chinese, British, French, Belgian, German, and Portuguese capital is embarked in an extensive scheme of railway construction for which concessions have been granted. When the construction is completed, the total length will be over 5000 miles.

Shipping

The steamship companies giving services from Britain to Chinese ports include the P. & O. Company from London to Singapore, Hong Kong, and Shanghai; the Shire Line from London; the Norddeutscher Lloyd from Southampton; the White Star Line from Liverpool and Southampton; and the Cunard Line from Liverpool.

The principal steamship services between Chinese ports and the United States are as follows: Barber Line, Hong Kong and Shanghai to New York; Northern Pacific Steamship Company, Hong Kong, Amoy, Shanghai, &c., to Tacoma, Wash., every three weeks; Occidental & Oriental Line, Hong Kong to San Francisco; Pacific Mail Steamship Company, Hong Kong and Shanghai to San Francisco; Philippine Transportation & Construction Company, Hong Kong to New York via Manila; Portland &

Asiatic Steamship Company, Hong Kong and Shanghai to San Francisco; Toyo Kisen Kaisha, Hong Kong to San Francisco; United States & China-Japan Steamship Line, Hong Kong and Shanghai to New York.

Resources

In agriculture the Chinese exhibit praiseworthy industry, and the density of the population makes it imperative that every acre of soil capable of yielding produce should be kept to the supreme pitch of fertility. Even the mountain slopes are terraced and tilled. If the labours of the agriculturists are incessant and their irrigation good, their implements are rude, and they are stubborn in the face of invitations to adopt the improved implements and practices of other lands. Rice is the staple food, and, especially in the south, it is the principal crop. Wheat, barley, maize, millet, peas, and beans are cultivated in the north. Sugar, indigo, and cotton are also products of the south. Opium has been an important crop everywhere, but imperial edict is curtailing it, and in 1916 it will have been suppressed entirely. Tea is a product of the west and south, but the competition and improved methods of Indian and Cingalese growers have hurt the China tea-planter. Sericulture is important, and the mulberry thrives everywhere, over a quarter of the silk of the world being Chinese. But the quantity and quality of the produce tend to deteriorate, and, unless attention is paid to the matter, China silk is threatened with decadence.

Camels are used in the north as domestic animals, and elephants are also so used to a limited extent, but oxen and buffaloes are the principal beasts of draught. The breeds of cattle and horses are poor, the Chinese being ignorant of the art of stock-breeding. The mules and asses are better than the cattle and horses, and pigs are both numerous in quantity and excellent in quality. It is rather notorious that Chinese pork has begun to come to the British market.

China is rich in minerals, but their exploitation by foreign capital and enterprise is hampered by the tendency of the authorities to enforce onerous restrictions. Mining concessions have been granted to many foreigners—chiefly British, Japanese, and French—but in most cases the concessions have not been worked. The principal mineral is coal, and China in her coal measures is as richly favoured as any nation in the world. Iron is found in abundance, and is used in the country and shipped as ore to Japan. Copper, tin, lead, silver, gold, and antimony are

all worked. Nitre, alum, quicksilver, zinc, gypsum, and, above all, enormous deposits of kaolin, that give to the world the beautiful porcelain, are found. Jade is perfect as found in China, and is worked into trinkets and ornaments. Agates and a few other precious stones complete the list of the minerals worth notice.

Manufactures

The manufactures of China are many and varied. The Chinese could live in comfort, and many of them in luxury, without the advantage of imported merchandise. The manufacturing methods are not those of the West, and the great difference lies in the absence of machinery and power-producers, the great motive power, except in a few industries, being manual labour. Silk-weaving is the art with the product of which the West is most familiar, and Chinese satins, flowered silks, and damasks possess peculiar excellence. Cotton is also manufactured, although the factory product of Manchester competes with the domestic weave. Woollens are made to a very limited extent, and linens not at all; but the beautiful ramie fibre furnishes a textile fabric that the West is seeking to produce. Porcelain is a product the manufacture of which China taught the world, and although in the matter of design Europe surpasses China, China still holds the palm for quality of material and colouring. In leather and glass manufactures the Chinese do not excel, and the native articles are crude. Paper of excellent quality is made, and the beautiful lacquered ware of China cannot be equalled outside her borders. In metal-working generally the Chinese have not attained a high place, but under Western guidance the manufacture of machinery and small arms has been established. Soap and matches are other articles in which the Chinese help to supply their domestic demand.

Exports

A consideration of the export trade of China ought to include the exports of Hong Kong, which, though a British possession, is an important channel through which Chinese produce and manufactures reach the outside world. Hong Kong has been considered among the British possessions, and the details and remarks that follow here must be read in conjunction with those given in Chapter VI if an accurate idea of the position and tendencies of China's trade would be gathered. The exports of China, excluding Hong Kong, have an annual value of about £40,000,000, but trade is developing so rapidly,

that this average will probably be far exceeded in the near future. Silk and its manufactures account for one-third of the total value. The chief form in which silk is exported is that of white filature; raw silk (white and yellow) comes next in value. Silk piece goods represent only about one-seventh of the entire value of silk. The exports of tea are next in importance, their value, which has fallen from its high-water mark, being one-ninth of the aggregate value of exports. The quantity of black tea exported is three times that of green tea, and the value of black is 60 per cent in excess of the value of green. Other noteworthy exports are raw cotton, skins, furs, and rugs, straw braid, beancake, wool, cow and buffalo hides, vegetable oils, mats and matting, fire crackers, paper and books, live animals (cattle, sheep, pigs, and goats), beans, hemp and jute, medicines, bristles, nankeens, provisions and vegetables, tobacco, fruits, and earthenware.

Over one-third of the exports of China go to the transit port of Hong Kong, which has no official records showing the ultimate destinations of such exports. After Hong Kong comes Japan, followed by the United States, France, Britain, Russia, and Italy. Britain's imports of Chinese goods reach her principally by way of Hong Kong.

British records show that the total value of imports entering Britain from China, Hong Kong, Macao, and Wei-hai-wei is about £5,000,000 annually. About one-sixth is for silk in its different forms—principally raw silk; tea is a good second, followed by furs and skins, bristles, straw and other plaited work, tallow and stearine, hair (chiefly horse), camels' hair, wool, drugs, chemical manufactures, feathers, sugar, raw hides, raw cotton, galls, tin, and antimony.

Imports

The value of the imports approaches £70,000,000 annually. Of this large trade almost 40 per cent is for manufactures of cotton, and 40 per cent of this again is for cotton yarns and thread. Of cotton fabrics the principal variety is grey shirtings. The next most important department of China's import trade is opium. Then comes sugar, followed by metal manufactures—chiefly iron and steel, and tin and tin-plates. The other important items are kerosene, rice, coal, fishery products, cigars and cigarettes, flour, machinery, matches, and timber. In considering the sources of China's imports we are again faced with Hong Kong as by far the principal factor, and of course the imports from Hong Kong are imports of the world in general and of the British Empire in

particular. But even disregarding the trade through Hong Kong, Britain is the chief contributor of Chinese imports, and is followed by Japan, the United States, British India, Germany, and Belgium.

The exports from Britain to China, Hong Kong, Macao, and Wei-hai-wei have an annual value of about £12,000,000, of which cotton manufactures constitute two-thirds. Eight per cent of the total is for iron, and almost 8 per cent for woollens. Other items are machinery, chemicals, tobacco, soap, copper, woollens, and coal. Money is wasted in sending trade enquiries to the smaller ports. Representation in Hong Kong, Shanghai, Hankow, and Tientsin should cover the trade in the respective territories. Local needs are often well supplied, as in Manchuria, by the simple and cheap agricultural implements in use, although there is a good opening for electrical goods.

Customs Duties

The following duties are typical of the Customs duties of China:—

Cotton thread, on spools, '183*d.* per 1000 yards.
Cotton velvets, from '40*d.* to '60*d.* per sq. yard.
Woollen shawls, 5 per cent *ad valorem*.
Steel rails, 5*s.* 9½*d.* per cwt.
Cutlery, 5 per cent *ad valorem*.
Machinery, 5 per cent *ad valorem*.
Tinplates, 5 per cent *ad valorem*.
Leather belting, 5 per cent *ad valorem*.
Rubber shoes, '66*d.* per pair.
Wallpaper, 5 per cent *ad valorem*.
Varnish, 5 per cent *ad valorem*.
Paraffin wax, 1*s.* 1¾*d.* per cwt.
Coal, 1*s.* 7¾*d.* per ton.
Cement, 4'94*d.* per 400 lb.
Copperas, 5 per cent *ad valorem*.
Beer, in casks, '66*d.* per gallon.
Fish, dried or smoked, 8'72*d.* per cwt.
Candles, mostly 1*s.* 8¾*d.* per cwt.

Certificates of origin are not required for goods imported into China.

Local Regulations

There is no uniform national coinage. The unit of currency is the copper cash, 35 of which are equal to one penny. The haikwan or Customs tael is 1½ oz. of pure silver, which fluctuates in value, but it may be taken as worth about 3*s.*, or 1220 cash. The kuping tael used as standard by the Chinese government is a little lighter—100 haikwan tael = 101'6 kuping tael. The dollar, worth the same as a Mexican dollar, is also used. There are no uniform standards of weights and

measures, but the following are used in the treaty ports:—

10 fen	=	1 chien or mace	=	58.3 grains.
10 chien	=	1 liang or tael	=	1½ oz. avdp.
16 liang	=	1 chin or catty	=	1½ lb. „
100 chin	=	1 tan or picul	=	133½ lb. „
10 ko.	=	1 sheng	=	from .113 to .163 gal.
10 sheng	=	1 tou	=	from 1.13 to 1.63 gal.
10 fen	=	1 tsum	=	1.41 in.
10 tsum	=	1 chih	=	14.1 „
10 chih	=	1 chang	=	141 „

Liquids are generally sold by weight, so that the measure of capacity is little used.

Passports are not required at open ports. For travelling in the interior a special passport (valid for one year) must be obtained from a British consul.

British Consulates.—

Peking, Commercial Attaché, Consul-General and Vice-Consuls (and Tientsin).

Amoy, Consul.

Canton, Consul-General and Vice-Consul.

Changsha, Consul.

Chefoo, Consul.

Chengtzu, Consul-General.

Chung-king, Vice-Consul.

Chinan-fu, Consul.

Tsingtan, Consular Agent.

Chinkiang, Consul.

Foochow, Consul.

Pagoda Anchorage, Consular Agent.

Hangchow, Consul.

Ningpo, Vice-Consul.

Hankow, Consul-General and Vice-Consul.

Harbin, Consul.

Ichang, Consul.

Kashgar, Consul.

Kiukiang, Consul.

Kiungchow and Pakhoi, Consul.

Mukden, Consul-General.

Nanking, Consul.

Newchwang, Consul.

Shanghai, Consul-General and Registrar of Shipping. Vice-Consul.

Swatow, Consul.

Têngyüeh, Consul.

Wuchow, Consul.

Wuhu, Consul.

Yunnan-fu, Consul-General.

Manchuria

The area of Manchuria, which has been called "the garden of China", is about 363,600 sq. miles, so that it is three times as large as the United Kingdom and the estimates of population vary from 6,000,000 to over three times that number.

The largest town is Mukden, with a population of 150,000, and the other principal centres are Kirin, Harbin, and Helungkiang. Port Arthur and Dalny, which are properly in Manchuria and are the natural ports of the country, now belong to Japan. The Trans-Siberian railway traverses Manchuria at its eastern end. Harbin is the junction where the line from Vladivostok meets the line from Port Arthur and Mukden. The line from Peking and Tientsin also connects with Manchuria via Niuchwang.

The forests of Northern Manchuria have valuable timbers, such as walnut, oak, soft pine, and fir. The rivers abound with fish. In the south the agricultural products are grapes, indigo, cotton, opium, tobacco, sorghum, rice, and ginseng, and the oil from an oleaginous bean forms the chief article of export. The silkworm is cultivated. The mineral deposits are numerous and extensive, including iron, gold, silver, and coal, but they lie scarcely touched.

Mongolia

The area of Mongolia is about 1,367,600 sq. miles, which is three times the area of France and Germany combined. The population is about 2,500,000, nearly all Mongol and Kalmuk nomads, who scarcely attempt to improve the agricultural and other resources which their country possesses in some parts. The chief town is Urga, the centre of a caravan trade with China. It is reached across the great Gobi Desert. There is no trade in the civilized meaning of the word.

Tibet

Tibet has an area of 463,000 sq. miles, and is therefore almost four times the size of the United Kingdom. The population is supposed to be about 6,000,000. The chief town is Lhasa, which has a population of about 20,000. There is a sparse agriculture and a fair quantity of domestic animals—sheep, yak, buffaloes, pigs, and camels. There are deposits of gold, salt, and borax which are worked, and the only industries are domestic, such as wool spinning and weaving. The trade is with India and China by caravan routes, but is not of sufficient importance to warrant detailed investigation.

Chinese Turkestan

The Chinese province of Sin-Kiang includes Turkestan, Kulja, Zungaria, and Outer Kansu, all situated north of Tibet and south of Mongolia. The area is about 550,000 sq. miles, which is

eleven times the area of England, and the population is about 1,500,000. The chief towns are Kashgar and Yarkand. There is some agriculture—cereals, fruits, and vegetables being cultivated in the river valleys—and wool, cotton, and silk

are natural products that are worked into fabrics. Gold and jade are found. Trade is with Tibet, Mongolia, and the western provinces of China Proper, but it is by caravan routes, and is not important enough to merit investigation.

COLOMBIA

(See also South America)

Colombia is the only one of the South American countries with a frontier to Central America, where it touches its former province of Panama, now an independent state. The industrial and commercial condition of Colombia is far from giving adequate expression to its resources and area. It is one of the backward states that have not yet been taken up by the revolution of the wheel of progress. While the coast and low valleys of the interior have a hot unhealthy climate, the high country has a perpetual spring.

Of the inhabitants, about 150,000 are uncivilized Indians. The ruling classes are all of Spanish descent, but the lower classes are of mixed white and Indian blood. The capital is Bogotá, a healthy inland city of high altitude, with a population of about 120,000. The chief commercial centre is the city of Barranquilla (40,000), 15 miles from the sea and the port of Sabanilla, the other (Caribbean port being Cartagena (10,000). The Pacific ports are Buenaventura and Tumaco. There are about 500 miles of railway open, connecting the principal towns, and the rivers provide convenient transport; but away from the railways and the rivers the roads are simply mule tracks, and transport is difficult and costly.

Resources

The chief resources consist of mineral wealth—gold, silver, cinnabar, iron, copper, platinum, sulphur, salt, emeralds, lime, nitre, petroleum, asphalt, lead, tin, manganese, and mercury being included in the list of known deposits. The gold output approaches £1,000,000 annually, and the principal other minerals worked are silver, platinum, cinnabar, manganese, emeralds, salt, and coal. Near Bogotá are ironworks consisting of blast furnaces, rail mills, and foundries. The various ore and lime deposits are in proximity, and make economical working possible.

Agriculture is hampered for lack of economical transport. Coffee is the staple crop, but the growing of coffee has suffered reverses from the low prices. Other crops are tobacco, cotton, cocoa, sugar, vegetable ivory, dyewoods, wheat, maize, bananas, rubber, tola, and copaiba. The timber

wealth is not exploited as it might be. Stock-breeding is important, but in this department also the capabilities of the country far exceed the industry. The coast has valuable pearl beds that require exploiting. The general condition of affairs is that in an immense country, with nearly four times the area of the British Isles, there are vast but imperfectly estimated resources that lie awaiting the stimulus of capital and the spade of labour. Frequent wars also have stayed industrial development. There are some manufactures on a modest scale for local demand—sugar, molasses, iron goods, rough textiles, leather goods, furniture, hats, pottery, mats, cigars, carpets, and household utensils. The exports consist of coffee, quinine, emeralds, cacao, sarsaparilla, tobacco, indigo, vegetable ivory, dyes, balsams, resins, straw hats, cattle, hides, rubber, gold, and silver. Of the annual value exported—about £3,000,000—the United States takes about 30 per cent; Britain, 25 per cent; and France and Germany over 15 per cent each. The chief articles of export to Britain are bananas, coffee, rubber, straw hats, silver ore, cocoa, hides, and mahogany.

Imports

The total imports have a value of about £3,000,000. Britain's share is generally about £1,000,000, more than half consisting of textiles—cotton manufactures, with woollens, linens, and jute manufactures; machinery and metal goods are also of importance. From the United States the principal items are flour, lard, petroleum, and cottons, and from Germany sugar, rice, and potatoes. The merchant trade and a good deal of the industrial enterprise of Colombia are in the hands of Germans.

Certificates of origin are not required for goods imported into Colombia, but invoices must be certified by the Colombian consul in the place whence the goods are shipped.

Local Regulations

There is no state tax upon commercial travellers, but the city of Cartagena imposes a municipal

tax of £4 per annum. Resident agencies of foreign firms must pay £10 per annum. Samples are admitted free from duty if their total weight does not exceed 25 kilos, i.e. 54 lb. If the samples exceed this weight, duty must be paid or a bond entered into to pay the duty if the goods are not exported within 12 months.

The gold dollar (of 100 centavos) is worth one-fifth of a British sovereign (4s.). The value of the paper dollar is only one centavo.

British subjects proceeding to the Republic of Colombia must provide themselves with passports—*viséd* by the Colombian Minister or by a consul of the Republic in the United Kingdom.

For travelling in the interior it is advisable to obtain a special passport (2s. 6d.) from a British consul. Immigrants without resources must be provided with a passport issued gratis by the Colombian consul at the port of departure.

British Consulates.—

Bogotá, Consul-General and Vice-Consul.

Honda, Vice-Consul.

Medellin, Vice-Consul.

Barranquilla, Consul.

Buenaventura, Consular Agent.

Cartagena, Vice-Consul.

Santa Marta, Vice-Consul.

Tumaco, Consular Agent.

COSTA RICA

(See also Central America)

Costa Rica, the smallest but one of the Central American States, contains the smallest population. The people are chiefly of white descent, the ancestors of most having been Spanish immigrants, and in this respect the colony differs from all the other isthmian states. The aboriginal Indians number fewer than 2000, the foreigners about 6000.

The country extends right across the isthmus. The capital is San José, an inland town of high altitude, with a population of about 25,000. The Caribbean port is Limon (4000), the Pacific port is Puntarenas (4500). The other chief towns are Alajuela (5500), Cartago (6000), Heredia (8000), and Liberia (4000). Railways connect the ports with San José and other inland towns.

Resources

The soil is prolific, and coffee has long been the staple product. Indeed, the misfortune of Costa Rica was that she depended too much upon this one crop, for the decline in the price of coffee occasioned serious financial troubles to her people. Banana cultivation has increased greatly, and other crops are cocoa, maize, sugar, rice, and potatoes. Stock-breeding—particularly cattle, pigs, and horses—is an important industry. Mahogany, cedar, and other timbers constitute the principal forest wealth of the republic, and tortoise shell and mother-of-pearl are sea products that engage some industrial activity. The only mineral worked is gold, and the returns, even from methods of operation that do not conform to the requirements of modern scientific practice, are high, and bear witness to the richness of the beds. Coal, petroleum, copper, iron, and silver

are known to exist, but are not exploited commercially.

There are some manufactories that help to supply the domestic market, and the output includes flour, clothing, boots and saddlery, hats, cigars, candles, beer, alcohol, and aerated waters.

The exports have a higher aggregate annual value than the exports of any other Central American state—approaching £2,000,000, half being for bananas and over one-third being for coffee, the other chief items being gold, silver, cedar, hides, cocoa, and rubber. Of the value exported, almost 50 per cent reaches the United States and 45 per cent is taken by Britain. Over half of Britain's proportion consists of bananas, and the remainder is almost entirely raw coffee.

Imports

Large quantities of railway material have been imported by Costa Rica during recent years. Apart from this trade, which is temporary, the greatest values represent cotton goods, flour, cattle, woollen goods, coal, medicines, and rice. The annual value is about £1,500,000. The United States supplies about 50 per cent of the imports, Britain over 20 per cent, and Germany about 12 per cent. Britain's share, which is about £250,000 annually, represents cotton goods for 40 per cent of its total, other important departments being metal goods, woollens, coal, bags and sacks, clothing, and machinery.

Certificates of origin are not required for goods imported into Costa Rica, but the country of origin must be stated on the invoice by the exporter, and the invoice must be certified by the consular officer for the district.

Local Regulations

The unit of currency is the gold *colon* (of 100 cents), which is worth about 1s. 10½d.

British Consulates.—

San José, Consul-General and Consul.

Port Limon, Vice-Consul and Consular Agent.

DENMARK

Denmark has an area of 15,600 sq. miles, so that it is about twice as large as Wales, and the population is about 2,600,000. The capital, port, and only important trade centre is Copenhagen, which has a population of about 430,000. Other seaports are Aalborg, 32,000; Aarhus, 55,000; and Randers, 21,000.

Shipping and Railways

Copenhagen is reached from Britain by the Finland Line, sailing from Hull twice weekly; by the Wilson Line, sailing from Hull weekly; and by the Leith, Hull, & Hamburg Line, sailing from Leith weekly. The quickest routes are by Dover, Ostend, and then by rail via Cologne, Bremen, Hamburg, and Kiel; and other routes are by Dover, Calais, Cologne; by Harwich, Hook of Holland, Bremen, and Hamburg; and by Queenborough, Flushing, Bremen, and Hamburg. Steamship communication between Copenhagen and New York is provided by the Scandinavian-American Line (every ten days) and by the Scandia Line (fortnightly).

The railways of Denmark exceed 2000 miles in length, almost 1200 being state-owned. The roads in the country are good, and communication excellent.

Resources

Denmark is pre-eminently agricultural, and 80 per cent of the total area is productive. It is a country of small holdings, and it is illegal to merge small farms into larger. Of the cereal crops, oats has the largest acreage—about one million acres being under this crop. Rye, barley, mixed grain, and wheat are also cultivated. Of root crops, mangold is the heaviest crop; then come turnips, kohlrabi, potatoes, and carrots. Beets and chicory are less important. Domestic animals number about 4½ millions, almost half being cattle, one-third pigs, and the remainder sheep, horses, and goats. The sheep are decreasing, but all others show steady increase. Poultry-farming, particularly with geese, is extensive. The orchard crops are apples, plums, cherries, pears, and nuts. Denmark had formerly valuable timber forests, but these have for the most part, except in Iceland and the east of Jutland, disappeared. Government has, however, taken up

the matter of forest preservation. The total catch of Danish fisheries has an annual value of about £750,000, consisting of herring, turbot, torsk, salmon, and oysters. Denmark has no minerals.

The Danish butter trade is extensive, and important to Britain. By a system of co-operation, the practice of dairy farming has been reduced to a fine point of industrial economy.

The manufactures are not numerous, but some products have attained a high reputation. Copenhagen china graces the art cabinets of the world. Other works include iron foundries, sugar refineries, tanneries, distilleries, and margarine works. The formerly flourishing glove manufacturing trade has declined. Jutland makes woollens and earthenware, stoves are made in Copenhagen, and wooden clocks in Bornholm. Paper manufacture is extensive and extending. For the rest, the industries are domestic or on a retail scale.

Exports

Denmark's exports of domestic produce have a value of about £25,000,000, and of this value Britain takes over one-half, Germany is second with less than half as much as Britain, and Sweden has little more than one-third as much as Germany. Russia, the United States, and Norway follow with smaller proportions. The great Danish product is butter, and 40 per cent of the value of the domestic produce exported is for butter. Meat, including hams and sausages, is the next most important class; then follow eggs, cattle, horses, hides and skins, fresh fish, iron and steel manufactures, barley, lard and fat, and raw wool. Britain purchases from Denmark annually about £10,000,000 worth of butter, about £6,000,000 worth of bacon, and almost £2,000,000 worth of eggs, out of a total trade of about £19,000,000. There is therefore a little over £1,000,000 for all other goods, and of these the chief articles are salted pork, fresh pork, fish, machinery, wool and woollen rags, skins and furs, barley, raw hides, oil, beer, and lard.

Imports

Denmark's imports have a value of about £30,000,000 annually, of which one-third goes

from Germany, one-sixth from the United States, almost one-sixth from the United Kingdom, about one-ninth from Russia, and one-twelfth from Sweden. The principal articles of the import trade are cereals, provisions, textiles and clothing, manufactures of metal, coal, wood and its manufactures, sugar, tobacco, coffee, and petroleum. Of the produce and manufactures of the United Kingdom exported to Denmark, the total annual value of which is over £5,000,000, about one-third in coal, and the other chief commodities are cotton goods, iron and steel goods, oilseed cake, bran and pollard, woollen and worsted yarn and manufactures, machinery, ships, sugar, and slates.

The following may be taken as typical of the duties levied upon produce and manufactures of Britain entering Denmark:—

Cotton yarn and thread, 60d. per lb.
 Cotton curtain nets, 9·07d. per lb.
 Woollen shawls, 1s. per lb.
 Steel rails, free.
 Cutlery, 28s. 3d. per cwt.
 Machinery, 5 per cent *ad valorem*.
 Tinplates, free.
 Leather belting, 39s. 6d. per cwt.
 Rubber shoes, 28s. 2½d. per cwt.
 Wallpaper, 11s. 3½d. per cwt.
 Varnish, 11s. 3½d. per cwt.
 Paraffin wax, free.
 Coal, 4d. per ton.
 Cement, free.
 Copperas, free.
 Beer, in casks, 13s. 6½d. per cwt.
 Fish, tinned, 13s. 6½d. per cwt.
 Candles, 6s. 9½d. per cwt.

No certificates of origin are required for goods imported into Denmark.

Local Regulations

A commercial traveller's licence costs 160 kroner (£9), and is good for one year. An additional 80 kroner (£4, 10s.) is charged for every firm represented beyond the first. Application for licence must be accompanied by a certificate from the firm represented, drawn up by a notary public and verified by a local Danish consul. The licence must be endorsed by the police and Customs officials in each town visited. Duty upon samples must be deposited, but is refunded upon exportation within three months.

The standard of monetary value is the *kroner*, of 100 ore. It is worth 1s. 1½d., so that 18 kroner are worth one sovereign. The metric system of weights and measures became obligatory in public

offices in 1910, its compulsory use in general commerce being postponed for three further years. The standards hitherto used in Denmark are: 1 pund = 1·102 lb. avoirdupois; 1 pot = 0·213 imperial gallon; 1 tønne = 3·8 bushels of corn, 4·6775 bushels of coal, or 28·92 gallons of beer.

Passports or similar documents may be required by the police from persons accepting employment in Denmark before furnishing them with an "opholdsbog" (situation book).

British Consulates.—

Copenhagen, Consul and Vice-Consuls.

Aalborg, Vice-Consul.

Aarhus, Vice-Consul.

Bandholm, Vice-Consul.

Elsinore, Vice-Consul.

Esbjerg, Consul.

Fredericia, Vice-Consul.

Frederikshavn, Vice-Consul.

Horsens, Vice-Consul.

Kastrup, Vice-Consul.

Kolding, Vice-Consul.

Korsør, Vice-Consul.

Lemvig, Vice-Consul.

Nyborg, Vice-Consul.

Odense, Vice-Consul.

Randers, Vice-Consul.

Ronne (Bornholm), Vice-Consul.

Svendborg, Vice-Consul.

Thisted, Vice-Consul.

Iceland and Greenland

The area of Iceland is 39,756 sq. miles, and the population 80,000. The capital is Reykjavik, with a population of about 10,000, which is reached by the frequent sailings of the Thore Steamship Company from Copenhagen and Leith. The chief products and exports are sheep and wool, mutton, ponies, and dried fish. The manufactures are small and of purely domestic importance. The exports have a value of about £230,000 annually, and the imports of about £300,000. Greenland has a vast and unknown area, but that of the settled part is given as 46,740 sq. miles; the population is about 12,000, including about 300 Europeans. The principal products and exports are seal and whale oil, skins and furs (seal, fox, and reindeer), eider-down, feathers, and cryolite. Trade is a royal Danish monopoly. The exports to Denmark have a value of about £30,000 annually, and imports from Denmark of about £75,000 annually.

British imports from Iceland and Greenland, which are not differentiated, have a value of about £200,000 annually, of which half is for fish

oil, the other important items being fish, butter, whalebone, wool, and horses. The exports to these Danish possessions from Britain fluctuate very much in annual value, but they have exceeded £200,000. The chief items are coal, cereals, iron, cotton goods, fishing tackle, biscuits, apparel, and salt.

British Consulates.—

Reykjavik, Consul and Vice-Consul.

Seydisfjord, Vice-Consul.

Westmann Islands, Vice-Consul.

Faeroe Islands

The Faeroe Islands have an area of 540 sq. miles, and a population of about 16,000. The only town is Thorshavn, in Stroomø, the largest island. The steamers to Iceland call (see above). Barley is the only cereal, but turnips and potatoes can be cultivated. The chief means of livelihood are fishing and sheep farming, and feathers of seabirds are exported. The Faeroes are considered part of Denmark, and there are no trade figures apart from those included in Denmark and given above.

British Consulate.—

Thorshavn, Vice-Consul.

Danish West Indies

The three islands of St. Croix, St. Thomas, and St. John, which comprise the Danish West Indies, have a total area of 138 sq. miles, and a population of about 30,000. The capital is Christiansted. The shipping communication between Europe and the Danish West Indies is by the lines that serve Cuba, Jamaica, &c. (see "West Indies"). There is no regular shipping service between United States ports and the Danish West Indies, goods usually being transhipped at Kingston, Jamaica. The industries are cane-sugar cultivation and cotton-growing. There are no trade figures relating to the imports and exports of the islands, but the British returns show that the United Kingdom has begun to import raw cotton to the value of £20,000, and that the exports of Britain to these islands have an annual value of about £50,000, the principal items being cotton goods, coal, and woollens.

St. Thomas.—A local Government passport must be procured when leaving the island.

British Consulates.—

St. Thomas, Consul.

Christiansted, Vice-Consul.

Frederiksted, Vice-Consul.

ECUADOR

(See also South America)

Ecuador, whose coast line is on the Pacific, has an area about equal to that of the United Kingdom, and the total population is not more than 1,500,000, with a little over half a million people of white descent. With such an area and with such a sparse population the resources of Ecuador are far from being exploited as they deserve. The capital is Quito (80,000), which is connected by railway with the port of Guayaquil (80,000). The other chief towns are Cuenca (45,000) and Riobamba (18,000). Several railway lines, in addition to that mentioned, are in course of construction, but their progress is slow.

Resources

Agriculture is hampered by lack of labour. The chief product is cacao, for which Ecuador is a more important source than any other country. Coffee, sugar, and tobacco are also products of the coast lowlands and of the valleys of the Amazon headwaters. Cereals and fruit are grown on the plateaux. The rubber industry has long been of importance, and the impoverishment of the wild supply has stimulated rubber plantations. Attempts to grow cotton have been abortive, and Peruvian bark has also shrunk to

infinitesimal proportions. Many minerals exist, but gold and silver only have been worked, and these with indifferent success. Platinum, pitch, copper, iron, lead, coal, and sulphur also exist, but are untouched. Panama hats are made almost exclusively in Ecuador, and the demand for them is greater than the supply. The only other manufacturing industries are sugar and chocolate works and breweries.

Exports

The chief exports, the total value of which is about £3,000,000 annually, consist of cacao (70 per cent of the total), ivory nuts, rubber, straw hats, coffee, and hides. One-third of the exports goes to France, one-fourth to the United States, and smaller proportions to Britain and Germany. Britain's share consists more than half of raw cocoa, and the only other items of importance are straw hats and hides.

Imports

The imports of Ecuador have a value of about £2,000,000 annually, about a third going from Britain, 20 per cent from the United States, and smaller proportions from Germany and France. The principal imports are textiles, food products,

iron and metal goods. Two-thirds of Britain's share is for cotton goods; woollen, jute, and linen goods account for more than half the remainder, and the only other comparatively important classes are iron and machinery.

No certificates of origin are required for goods imported into Ecuador.

Local Regulations

There is no tax upon a commercial traveller as such. Samples are weighed at the Custom House on entry, but no duty need be paid if a satis-

factory guarantee is given that they will be presented for weighing and checking upon departure, which is not restricted to any special time after entry.

For passports, see under "Peru".

The standard of monetary value is the gold *condor*, which is worth a British sovereign, and contains 10 *sucrés* (= 2s.).

British Consulates.—

Quito, Consul-General and Consul.

Guayaquil, Consul and Vice-Consul.

Esmeraldas, Vice-Consul.

Manta, Vice-Consul.

EGYPT

Egypt proper, which does not include the Egyptian Sudan, has an area of about 400,000 sq. miles, so that it is about eight times as large as England. The total population, almost confined to about 12,000 sq. miles, is over 11,000,000, of whom about 120,000 are foreigners and 600,000 are nomads. About 20,000 are British. The principal towns are Cairo (655,000), Alexandria (332,000), Tintah (55,000), Port Said (50,000), Assiout (40,000), Zagazig (35,000), Mansourah (40,000), Damietta (30,000), and Fayoum (37,000). There are over 1400 miles of state railways in the country, and about 800 miles of privately-owned light railways.

Shipping

Alexandria is reached from Britain by steamers of the Moss Line from Glasgow and Liverpool; by the Papayanni and Ellerman Lines from Liverpool. Port Said is reached by the Bibby Line sailing from Liverpool, by the British India Line from London, by the Peninsular & Oriental Line and by the Orient Line from Tilbury, by the Orient Line from Plymouth, and by the Nord-deutscher Lloyd and the Deutsche Ost-Afrika Linie from Southampton. The quickest route is through Continental Europe to Brindisi, and thence by the important lines running from that port to Alexandria and Port Said.

There is direct service between the United States and Egypt by the North German Lloyd and the Hamburg-America Lines, but goods are sent principally via Liverpool, where they are transhipped into one of the British lines, or they may be sent to Marseilles and transhipped into the Messageries Maritimes boats.

Resources

The industry for which Egypt is fitted by nature is agriculture, and while the practice of

agriculture is primitive and slow to improve, progress is being made, as the people, naturally of a high mental capacity, are being raised from the position of serfdom. The most popular and remunerative crop of Egypt is cotton. Egypt is third among the cotton-growing countries of the world, with an annual output of 1,250,000 bales. The local conditions of soil, climate, and irrigation are more favourable to cotton in Egypt than they are in any other country, and the quality produced is much above the average, commanding a high price. Other agricultural produce consists of maize, wheat, cane sugar, rice, millet, barley, clover, and vegetables. There are three seasons of crops in Egypt, and while agriculture may be made to pay under the primitive system of working that generally prevails, it will become much more profitable as the value of scientific methods is driven home by experiment and experience. The area of agricultural Egypt is limited by the belt that can be watered by the Nile. Attempts are being made to exploit petroleum, but there are no other minerals.

Tanning is an industry in which the Egyptians excel, and the morocco leather, made from goat-skins, is of excellent quality. Coarse cotton cloth is woven, and cloth made from cotton and wool. Some silk is cultivated.

Of the exports of Egypt, which have an annual value in excess of £25,000,000, 80 per cent consists of cotton, about one-tenth of cotton seed, and 1 per cent of oil cake, so that only about one-twelfth of the total export value comes from sources other than cotton. Cigarettes to the value of £500,000 are exported annually, and the other articles of comparative importance are onions, hides and skins (mostly untanned), raw wool, and cane sugar. Of the total value of exports, Britain purchases about half, and Germany and France purchase about one-tenth each. Britain purchases nearly all the Egyptian cotton, cotton seeds, and oil

cake, and otherwise the principal items are onions, eggs, wool, tobacco and cigarettes, ivory (in transit from Central Africa), gum-arabic and other gums, goat and sheep skins, poultry, feathers, and oranges.

Imports

The imports of Egypt have a value of about £24,000,000 annually, including military stores. The principal items are cotton piece goods, iron and steel manufactures, wood for building, flour, machinery, coal, woollens, linen manufactures, tobacco, rice, clothing, coffee, petroleum, sacks, wine, cheese, soap, indigo, silk, and wheat. Britain supplies one-third of the total, France and Turkey each about one-eighth, and Austria and Germany come next. The principal articles supplied by Britain are cotton manufactures, coal, iron, machinery, woollens, copper, vehicles, ships, flour, leather goods, apparel, linens, cement, beer, furniture, and alcoholic beverages.

The import rate of duty in Egypt is 8 per cent *ad valorem*, but coal, charcoal, and firewood, building wood, petroleum, oxen, cows, sheep, and goats are subject to only 4 per cent.

Certificates of origin are required upon importation only in the case of tobacco.

Local Regulations

There are no taxes or regulations affecting commercial travellers, and they have no special privileges on the railways.

The monetary unit is the Egyptian pound (usually written £E), which contains 100 piastres, and is worth 20s. 6½d. sterling. A sovereign is legal tender for 97½ piastres. The metric system of weights and measures is used officially (see "France"), but the old Egyptian standards are still found in commerce: 1 pic=22·83 in. (cloth); 1 oke=2·75136 lb. avoirdupois; 1 cantar=99·05 lb. avoirdupois; 1 ardeb=118 okes of wheat or maize, 88 okes of barley, or 152 okes of rice.

British Consulates.—

Cairo, Agent and Consul-General, Consul, Oriental Secretary and Consul, and Vice-Consul.

Birket-es-Sab, Consular Agent.

Mansourah, Consular Agent.

Zagazig, Consular Agent.

Alexandria, Consul-General and Vice-Consul.

Tantah, Consular Agent.

Port Said, Consul-General and Vice-Consul.

Egyptian Sudan

The Egyptian Sudan, which is under the joint administration of Britain and Egypt, has an area

of about 950,000 sq. miles—eight times the area of the United Kingdom—and a population of about 2,000,000. The capital is Khartoum, with a population of 21,000, and the other principal town is Omdurman (43,000). The usual route to the Sudan is from Cairo by rail to Khartoum, but it may also be reached by rail from Port Sudan on the Red Sea. Port Sudan is a stopping-place for the vessels of the Anglo-Algerian Company from London to the Persian Gulf, also of the Italian General Navigation Company from Genoa and Alexandria, and of the Khedivial Mail Ship Company from Suez. Suakin (15,000) is a port of the Red Sea thirty miles south of Port Sudan, and has some exports of ivory, gums, cattle hides, and gold, besides articles of native manufacture.

The country has not recovered from the effects of the Dervish oppression, which put the fields out of cultivation and killed commerce. The soil in the northern part is exceptionally fertile, and suitable for wheat and cotton cultivation; but the little tillage that is followed yields only small supplies of millet and other cereal crops that are consumed locally. There are large forests by the Blue and the White Nile, and these possess valuable woods, such as ebony, also gum acacia and bamboo. But at present the resources of the country are potential, and but little developed.

There are no records of the trade of the Sudan. Trade is almost exclusively with Egypt, and no duties are charged on imports from Egypt, nor may the duties on goods from other sources exceed the duties levied in Egypt. There are some export duties: gum, ostrich feathers, india-rubber, and gutta percha, 20 per cent *ad valorem*; ivory and rhinoceros horn, 15 per cent *ad valorem*.

Persons desiring to enter the Sudan, unless they are officials of the Sudan, Egyptian, or Uganda Governments, or are entering the Sudan under arrangements made by any recognized Tourist Agency, must apply for passports in person to the Sudan Agent, War Office, Cairo; to the Mudir, Wadi Halfa; or to the Mudir, Suakin.

Persons proceeding south of Khartoum or into Kordofan must obtain special passes from the office of the Civil Secretary, Khartoum, through the official from whom they obtain their passport.

All Europeans and foreigners travelling in the Sudan are required to report their arrival personally or in writing to the Mudir at the headquarters of the province, stating their address, occupation, and probable length of stay. Through travellers to Khartoum need only register in that town, either at the Mudiria or at the Hotel.

British Consulate.—

Port Sudan, Vice-Consul.

FRANCE

France has an area of 207,075 sq. miles, so that it is more than four times as large as England. Its population is a little under 40,000,000. Paris is both the political capital and the chief commercial centre. Its population is 2,763,000. The other largest towns and commercial centres are Marseilles, 518,000; Lyons, 472,000; Bordeaux, 252,000; and Lille, 206,000. The chief ports of France are Marseilles, Bordeaux, Rochefort and La Pallice, St. Nazaire, Brest, St. Malo, Cherbourg, Havre, Dieppe, Boulogne, Calais, and Dunkirk.

Shipping and Railways

In addition to the excellent services from London to Paris by Dover-Calais, by Folkestone-Boulogne, by Newhaven-Dieppe, and by Southampton-Havre, there is steamer service between Great Britain and France from Liverpool to Bordeaux by the Compagnie Générale Transatlantique and by the Moss Line; from Liverpool to Havre by the Booth Line; from Liverpool to Marseilles by the Bibby Line; from Liverpool to St. Nazaire by the Compagnie Générale Transatlantique; from London to Boulogne by the Bennett Line; from London to Marseilles by the Peninsular & Oriental Line and by the Orient Line; from Leith to Boulogne and Dunkirk by the Gibson Line; from Plymouth to Brest by the Great Western Railway steamers; from Southampton to Cherbourg by the White Star and American Lines, and by the London & South-Western Railway steamers; from Hull to Dunkirk and to Marseilles by the Wilson Line; and from Southampton to St. Malo by the London and South-Western Railway steamers.

The steamship service between the ports of France and the United States is extensive and frequent. The regular service is as follows:—

Anchor Line (Marseilles to New York); Barber Line (Havre, Dunkirk, and Bordeaux to New York); Bibby Line (Marseilles to New York); Chargeurs Réunis (from Havre and Bordeaux to New Orleans monthly); Compagnie Cyprien Fabre Line (Marseilles to New York fortnightly); Compagnie Générale Transatlantique (Havre to New York weekly); Compagnie Nationale de Navigation (Marseilles to New York); Funch, Edye, & Company's Line (Bordeaux to New York monthly); Hamburg-America Line (Cherbourg to New York weekly); North German Lloyd Company (Cherbourg to New York weekly); Nouvelle Compagnie Bordelaise de Navigation (Bordeaux to New York

and Baltimore monthly, or oftener); American Line (Cherbourg to New York weekly).

France has over 29,000 miles of railway line, partly state-owned. Communication is rapid and convenient, and transport is cheap throughout the country. Light railways specially serve agricultural districts.

Resources

Almost 90 per cent of the area of France is productive, and about 50 per cent is tilled. The principal cereal crops are wheat, oats, rye, and barley; and crops of less importance are maize, buckwheat, mixed corn, potatoes, mangolds, flax, hemp, rape, and sugar beets. More acreage is devoted to vines than to any other single crop except wheat and oats. The cultivation and preparation of tobacco is a government monopoly.

The fruits of France include the apple, the raw material of a considerable cider production in Normandy; the chestnut, a substitute for cereals among the poor in some parts; the mulberry, the leaves of which make the extensive silk culture of the south-east possible; the olive, also in the south-east; the pear, plum, cherry, apricot, peach, orange, citron, fig, and almond.

The stock animals of France exceed 44,000,000 in number, one-third of them being cattle, 40 per cent sheep, one-sixth pigs, and the remainder horses, goats, asses, and mules. Sheep, goats, and mules are declining.

One-sixth of the area of France is forest land, and the principal timbers are oak, elm, pine, fir, larch, birch, and beech. Wood is still the principal household fuel.

The fishing fleet of France contains over 1000 vessels, the crews totalling about 19,000 men. The principal catches are cod and herring.

Coal-mining employs more workpeople than any other industry outside the textile group. The output is about 40,000,000 tons annually, which, however, is little more than one-fourth that of Germany, and about one-sixth that of the United Kingdom. The value of the coal output, including lignite, is about £20,000,000 annually, which is over 85 per cent of the entire value of mineral output. The only other mining output that exceeds £1,000,000 is that of iron ore; but the recovery of salt approaches that figure. The other chief minerals are zinc, iron pyrites, and lead and silver, and antimony. Of much less importance are copper, arsenic, and manganese. Petroleum shale is mined on a small scale at Autun, but in the neighbourhood of Fréjus (Var) are shale

deposits of a richness beyond anything else known in Europe, and enterprise is being directed towards them. Asphalt is mined in Savoy.

Manufacturing industries in France are as wide in their variety as in any country in the world, and in many specialized departments France leads the world. In the front rank come the industries of the textile group, which employ over 800,000 workers, and turn out material that gives employment to over 1,000,000 other workers in the making up of clothing, and other trades dependent upon textile output for their material. Cotton-spinning is mainly in three centres, in the neighbourhood of Rouen, in and around Lille and Roubaix, and in the provinces touching the German frontier. Cotton-weaving is much more widely distributed; but, in the main, certain specialities are confined to certain districts, the centres being Paris for napkins and Turkish towelling; Amiens for ribbed velvets; Condé-sur-Noireau for striped cottons; La Ferté Macé for couils; Flers in Orne for stripes and oxfords; Evreux for corsets and bed linen; Mayenne for laval; Nord for flannels, sateens, and bed quilts; Haute-Saône for striped weaves; Normandy for shirtings and long cloths; Roanne for blue cottons; Thizy for cretonnes and peruvienues; Tarare for muslins and hand embroideries; Saint-Quentin for muslins and gauzes; Vosges for cotton cloth and satinette; and Troyes for hosiery.

After cotton comes wool, and the wool industry of France is claimed to be the most important in the world. Wool-carding mills are in Roubaix and Rheims, and the shoddy mills are in Elbeuf and Vienne. Wool-spinning mills are chiefly in Roubaix, Fourvaies, Rheims, Vienne, and Belfort. The wool-weaving industry is well scattered, different centres being noted for specialities, such as Rheims for merinos, Tours for blankets, Beauvais for tapestries, Amiens for *serges*, and St. Quentin and Bohain for cashmeres.

The silk mills are in the departments of Cevennes and Gard. Silk-weaving, which is both a hand- and a power-loom industry, has its centre in Lyons. St. Etienne is the centre of ribbon manufacture; St. Chamond and Izieux are the centres for galoons, laces, and braids. Besançon is the centre of artificial silk, an industry started in 1889.

Linen and flax are also distributed. Lille, Armentières, and Bailleul produce white and coloured smooth goods; Dunkirk, Beauval, and Flixecourt, jute goods; Normandy, shirtings, pillow cases, and table covers; Brittany and Anjou, handkerchiefs and canvas; Vosges, bed and table linen; and the south of France, coarse cloth.

France, as a thoroughly developed industrial country, has valuable and extensive industries in

the metal and metallurgical departments—blast foundries, rolling mills, engineering shops, ship-building and armament works—but this group, from the point of view of international importance, does not compare with the textile group. The motor-car trade is, however, of high importance from the international point of view, and its exports exceed in value the aggregate value in the group of “iron and steel manufactures”, and also the group “machines and machinery”, truly an evidence of remarkable progress in an industry of such recent establishment. The manufacture of agricultural implements is an important industry, but the market is domestic and in French colonies.

Glass and ceramics have a high output in both quality and quantity, and there need be cited only the Government factory at Sèvres, the varied production of Limoges, and the cut glass of Baccarat to mention the best that the world produces in these specialities. The other great industries of more than a local, even of national, importance are gloves, boots and shoes, leather, perfumery, hats, clocks, pipes, pencils, soap, jewellery, and the numerous fancy and artistic wares that have come to be known by the geographical title “Articles de Paris”.

Of the agricultural industries, wine manufacture is the most important. The annual output is about 1,200,000,000 gallons; the three great classes into which the French vintage may be divided are Bordeaux, Bourgogne, and Beaujolais. The wines of Champagne are the most esteemed and the highest priced in the world. The next most important agricultural industry is the manufacture of distilled liquors. Some varieties of brandy have local demand only; but the wine brandy, which is exported to the ends of the earth, is the product of first importance. French beer does not meet with any export demand as do the beers of Germany, but it finds a good domestic consumption, and the quality has risen to something approaching the German level of excellence. French production of beet sugar has been diminishing for some years. The outputs of Russia and Austria have each overtaken and passed the French output. The minor agricultural industries are chicory preparation, chiefly in Nord; olive-oil expression in the southern parts; honey and wax in the eastern provinces; butter-making, particularly in the district of Avesnes (Nord); cheese, biscuits, chocolate, and glue.

Exports

The exports of France have for some years exceeded £200,000,000 in value, and of this value

one-eighth goes to French possessions and seven-eighths to other countries. Britain is by far the best customer of France, purchasing about 25 per cent of the entire export value. Belgium takes about one-sixth of the total, Germany about one-tenth, the United States and Algeria each about 7 per cent, Switzerland 6 per cent, and Italy about 5 per cent. The textile industries supply the greatest value in any one group, the exports here having the annual value of almost £50,000,000, not including raw wool, silk, and cotton to the value of about £30,000,000. Manufactures of cotton and of silk are about equal in value, about £12,000,000; wool approaches three-quarters of the sum mentioned, and flax and hemp manufactures are small by comparison. In cottons the most important department is lace and patent net, followed by dyed piece goods; in silks the highest value is for plain tissues of pure silk; and in woollens dress-stuffs of pure wool are the most prominent. After textiles wine is the most important article, with a value of £8,000,000, and then come motor cars, of which the value is about £6,000,000. The latter trade is, of course, almost new; in 1897, the first year of which there is any record of exports of automobiles, the value was less than £30,000, and since then every year has established a new record. Other important departments are chemical products, haberdashery, toys and fancy wares, raw hides, tanned hides, iron and steel manufactures, millinery, horses, brandy and other spirits, butter, colours and dyes, china and earthenware, fruit, glass wares, leather wares (principally gloves), jewellery, machinery, metal goods (not iron and steel), paper goods, raw sugar, refined sugar, potatoes, and wood. These are the main departments of the French export trade, but the country naturally finds a foreign market for quantities, small or great, of almost everything manufactured within her borders, and the complete record is too lengthy to exhaust.

Britain's imports of French produce and manufactures are as varied as the list of France's general exports. Scarcely anything produced in the sister country fails to find its way in some degree into the British market. The most important of the many varieties of goods in the total value of about £45,000,000, which is France's annual contribution to British imports, is the department of silks, which has a value in excess of £5,000,000, principally for broadstuffs and ribbons. Woollens have more than half the value of silks, and cottons have about half the value of woollens, the greater value being for lace. Linen and jute manufactures are not important. French apparel is an allied group which claims £2,000,000 a year from

the British importer. Motor cars are an important item in the exports of France to Britain, and the value is about £2,500,000 per annum. The other articles which usually exceed £1,000,000 in value are butter, brandy, sugar, wine, and wool. Those between £1,000,000 and £500,000 are fancy goods known as Paris goods, leather, gloves, furs, potatoes, wood, and woollen yarn. Apart from these articles, those of minor importance, but for which France is usually or often the chief source of our own imported supply, are as follows: stallions, mares, works of art (not pictures), borax, cream of tartar, glycerine, porcelain, chinaware and parian, manufactured cork, semolina, dye extracts, ornamental feathers, oysters for breeding, artificial flowers, fresh flowers, apricots and peaches, cherries, currants, nuts, pears, plums, strawberries, glue, gelatine and glue stock, manufactures of copper, platinum, mineral water, coconut oil, refined olive oil, perfumery, pictures and drawings, pipes, garden seeds, roofing slates, straw, potatoes, watches, and whalebone.

Imports

French imports have an annual value of about £250,000,000, and of this value her own colonies provide less than 10 per cent. The United Kingdom is the principal source of supply, and provides 14 per cent of the total; Germany and the United States each supply about 10 per cent; Belgium about 6 per cent; and the principal less important countries are British India, Algeria, Argentina, Russia, China, Italy, Australia, and Spain.

The produce and manufactures of the United Kingdom sent to France have an annual value in excess of £20,000,000. From one-quarter to one-third of the value is for coal, about 10 per cent is for machinery and steam engines, 8 per cent is for woollens (chiefly piece goods), and 5 per cent is for iron. The other items with a value in excess of £500,000 annually are cotton yarns, cotton manufactures, leather, ships (sometimes), and silk manufactures (sometimes). Minor articles are apparel, biscuits and cakes, rubber goods, cycles and parts, motor cars and parts, coal products, sulphate of copper, corn and grain, hardware, hats, manure, meat, copper, tin, seed oil, oilcloth, painters' colours and material, paper, skins and furs, wool, wool and worsted yarn.

Customs Duties

The following are typical of duties upon goods entering France from Britain. (See also Chapter II of this Part.)

Cotton yarn and thread, single unbleached, '65*d.* to 1*s.*
 1½*d.* per lb. •
 Cotton velvets, dyed or printed, 1*s.* 4*d.* per lb.
 Woollen shawls, mostly 1*s.* 1*d.* per lb.
 Steel rails, 2*s.* 5½*d.* per cwt.
 Cutlery, fine, from 195*s.* 2*d.* to 243*s.* 10*d.* per cwt.
 Machinery, steam engines, 4*s.* 10½*d.* per cwt.
 Tinplates, from 2*s.* 10½*d.* to 8*s.* 1½*d.* per cwt.
 Leather belting, 24*s.* 5*d.* per cwt.
 Rubber shoes, 32*s.* 6*d.* or 40*s.* 8*d.* per cwt.
 Wallpaper, 4*s.* 0¾*d.* per cwt.
 Oil varnish, 18*s.* 4*d.* per cwt.
 Paraffin wax, 12*s.* 2½*d.* per cwt.
 Coal, 11½*d.* per ton.
 Cement, slow, 4*s.* 0¾*d.* per ton.
 Copperas, 6*s.* 6*d.* per ton.
 Beer, 3*s.* 8*d.* per cwt., including excise.
 Herrings, salted or smoked, 6*s.* 1½*d.* per cwt.
 Candles, paraffin, 12*s.* 2½*d.* per cwt., plus excise duty.

A certificate of origin for goods imported into France is necessary when it is desired to take advantage of the minimum tariff where it is applicable. Such certificates are issued by French consuls in the United Kingdom without fee. They are also issued by the British Customs authorities and by local authorities such as magistrates and chambers of commerce, but in the latter case they require a consular *visa*, for which no charge is made. There is a special form of certificate which may be issued by chambers of commerce and which the French authorities accept. These authorities do not, however, accept without question the statements of a certificate of origin, but may demand a legal *expertise* if the goods seem to cast doubt upon the statements contained in the certificate.

French Currency

France is one of the five states forming the Latin Monetary Union, the other states in this

union being Italy, Belgium, Switzerland, and Greece. The monetary system of the Union has been adopted, either entirely or in part, in Bulgaria, Finland, Rumania, Russia, Servia, Spain, and some South American states. Within the Union the coinage is uniform as to weight and value, and the currency of any member of the Union is legal tender in all the other four states. By periodical conventions the Union agrees as to the issues of the different states, and under the last convention France may issue up to 394,000,000 francs. The currency of all the states in the Union is the *franc* of 100 centimes, or the equivalent of a franc (see "Italy" and "Greece"). The franc has a value of 9½*d.*, or 25·225 francs make a British sovereign.

The Metric System

The metric system of weights and measures, which originated in France, is in use to a much greater extent than any other system. It is destined to supersede all others. The unit of length is the *metre*, the unit of superficial measure is the *are*, the cubic unit is the *stere*, the unit of capacity measure is the *litre*, and the unit of weight is the *gramme*. These different units bear specific relations to each other, the *are* being the square of 10 metres, the *stere* being a cubic metre, the *litre* having the capacity of the cube of one-tenth of a metre, and the *gramme* being the weight of the cube of one-hundredth of a metre of distilled water at 40° C. The divisions and multiples of these units are designated by a uniform series of prefixes—*milli-*, *centi-*, and *deci-*—being one-thousandth, one-hundredth, and one-tenth of the units respectively; and the prefixes *deka-*, *hecto-*, *kilo-*, and *myria-*—being the multiples of the units by 10, 100, 1000, and 10,000 respectively. The following are the respective tables with their British equivalents:—

METRIC AND BRITISH WEIGHTS AND MEASURES

Commercial Weights

	1 milligram	=	·015 gr.
10 milligrams	= 1 centigram	=	·154 gr.
10 centigrams	= 1 decigram	=	1·5432 gr.
10 decigrams	= 1 gram	=	15·432 gr.
10 grains	= 1 decagram	=	5 dr. 18 gr.
10 decagrams	= 1 hectogram	=	3 oz. 8 dr. 12 gr.
10 hectograms	= 1 kilogram	=	2·2046 lb.
10 kilograms	= 1 myriagram	=	1·575 st.
10 myriagrams	= 1 quintal	=	1·96841 cwt.
10 quintals	= 1 millier or tonne	=	19·68411 cwt.

	1 dram	=	1·772 gm.
16 drams	= 1 ounce	=	28·349 gm.
16 ounces	= 1 pound	=	453·592 kg.
14 pounds	= 1 stone	=	6·350294 kg.
2 stones	= 1 quarter	=	12·700588 kg.
4 quarters	= 1 hundred-weight	=	50·802352 kg.
20 hundredweights	= 1 ton	=	1016·047037 kg.

Apothecaries Weights

There is no separate table of apothecaries weights in the metric system, the ordinary weights as given above being used. The table given below shows the metric equivalents of the British apothecaries weights, and vice versa.

1 milligram	=	0.015 gr.	1 grain	=	65 mg.
10 milligrams	=	1 centigram = .154 gr.	20 grains	=	1 scruple = 1.296 gm.
10 centigrams	=	1 decigram = 1.5432 gr.	3 scruples	=	1 dram = 3.888 gm.
10 decigrams	=	1 gram = 15.432 gr.	8 drams	=	1 ounce = 32.1035 gm.
10 grams	=	1 decagram = 2 dr. 1 sc. 14 gr.			
10 decagrams	=	1 hectogram = 3 oz. 1 dr. 2 sc. 3 gr.			
10 hectograms	=	1 kilogram = 32 oz. 1 dr. 12 gr.			

Troy Weights

There are no special troy weights in the metric system, gold and other precious metals being reckoned by the ordinary metric weights. The tables below give the metric equivalents of British troy weights, and vice versa.

1 milligram	=	0.0154 gr.	1 grain	=	65 mg.
10 milligrams	=	1 centigram = .1543 gr.	24 grains	=	1 pennyweight = 1.555 gm.
10 centigrams	=	1 decigram = 1.5432 gr.	20 pennyweights	=	1 ounce = 31.1035 gm.
10 decigrams	=	1 gram = 15.4323564 gr.			
10 grams	=	1 decagram = 6 dwt. 10 gr.			
10 decagrams	=	1 hectogram = 3 oz. 4 dwt. 7 gr.			
10 hectograms	=	1 kilogram = 32 oz. 3 dwt.			

The pearl grain equals 51.83915 milligrams; the pearl carat contains 3.16381 pearl grains, and is equal to 164.24253 milligrams. The diamond grain is equal to 51.83916 milligrams, and the diamond caret (3.1683 diamond grains) is equal to 205 milligrams.

Measures of Capacity

1 millilitre	=	0.007 gill.	1 gill	=	1.42 decilitre.
10 millilitres	=	1 centilitre = .07 gill.	4 gills	=	1 pint = 5.63 decilitres
10 centilitres	=	1 decilitre = .7 gill.	2 pints	=	1 quart = 1.136 litre.
10 decilitres	=	1 litre = 1.76 pt.	4 quarts	=	1 gallon = 4.546 litres.
10 litres	=	1 decalitre = 1 pk. 1½ pt.	2 gallons	=	1 peck = 9.092 litres.
10 decalitres	=	1 hectolitre = 2.750 bushels.	4 pecks	=	1 bushel = 36.368 litres.
10 hectolitres	=	1 kilolitre = 3.4371 qr.	8 bushels	=	1 quarter = 2.90942 hectolitres (hl).
10 kilolitres	=	1 myrialitre = 34.371 qr.	4½ quarters	=	1 chaldron = 13.09237 hectolitres (hl).

Apothecaries Fluid Measure

1 millilitre	=	16.3 minims.	1 minim	=	0.059 millilitre.
10 millilitres	=	1 centilitre = 2.8157 fl. dr.	20 minims	=	1 fluid scruple = 1.184 millilitre.
10 centilitres	=	1 decilitre = 3.5 fl. oz.	3 fl. scruples	=	1 fluid dram = 3.552 millilitres.
10 decilitres	=	1 litre = 35.196 fl. oz.	8 fl. drams	=	1 fluid ounce = 28.4122591 millilitres.
			20 fl. ounces	=	1 imperial pint = 568.245 litre.

Lineal Measure

1 millimetre	=	0.0394 in.	1 inch	=	25 mm.
10 millimetres	=	1 centimetre = .394 in.	12 inches	=	1 foot = 305 mm.
10 centimetres	=	1 decimetre = 3.937 in.	3 feet	=	1 yard = 914 mm.
10 decimetres	=	1 metre = 39.3708 in.	5½ yards	=	1 pole = 5.029 m.
10 metres	=	1 decametre = 32½ ft.	4 poles	=	1 chain = 20.117 m.
10 decametres	=	1 hectometre = 0.621 mile.	10 chains	=	1 furlong = 2 hectometres 1.168 m.
10 hectometres	=	1 kilometre = 0.6214 mile	8 furlongs	=	1 mile = 1.609343 km.
10 kilometres	=	1 myriametre = 6.214 mile.			

Square, or Superficial, Measure

1 milliare	=	1 sq. ft. 11 sq. in.	1 sq. inch	=	0.006 milliare.
10 milliares	=	1 centiare = 1 sq. yd. 1 sq. ft. 110 sq. in.	144 sq. inches	=	1 sq. foot = .9 milliare.
10 centiares	=	1 deciare = 11 sq. yd. 8 sq. ft. 92 sq. in.	9 sq. feet	=	1 sq. yard = 8 milliares.
10 deciares	=	1 are = 119.603321 sq. yd.	30¼ sq. yards	=	1 perch = 25.3 centiares.
10 ares	=	1 decare = 1196.03321 sq. yd.	16 perches	=	1 sq. chain = 4.047 ares.
10 decares	=	1 hectare = 2.471 ac.	2½ sq. chains	=	1 rood = 10.117 ares.
10 hectares	=	1 kiloare = 24.71 ac.	4 roods	=	1 acre = 40.468 hectare (ha).
10 kiloares	=	1 myriare = 247.1 ac.	640 acres	=	1 sq. mile = 258.99848 hectares (ha).

Cubic Measure

1 millistere	=	61 cu. in.	1 cu. inch	=	0.164 millistere.
10 millisteres	=	1 centistere = 610 cu. in.	1728 cu. inches	=	1 cu. foot = 2.8 centisteres.
10 centisteres	=	1 decistere = 3 cu. ft. 918 cu. in.	27 cu. feet	=	1 cu. yard = 7.65 decisteres.
10 decisteres	=	1 stere = 35.31658 cu. ft.			
10 steres	=	1 decastere = 353.1658 cu. ft.			

Local Regulations

France treats commercial travellers from foreign countries as the respective foreign countries treat French commercial travellers. As French commercial travellers are not subject to any taxes or special regulations in Britain, British commercial travellers have no licence regulations in France. If resident in France, they are subject to the same licences as are Frenchmen, and must register themselves at the Prefecture of Police in Paris, or at a Mairie in the Departments. Samples or models for exhibition are permitted to enter the country under the terms of an agreement between Britain and France which is similar to the agreement between Great Britain and Switzerland (see "Switzerland"). In the French colonies there are no special regulations affecting commercial travellers.

For permanent residence, or in order to exercise a profession or trade, a declaration, furnishing particulars with respect to the family, nationality, profession, &c., of the person making the declaration, is required to be made at the Mairie of the Commune within a few days of arrival.

British Consulates.—

Paris, Commercial Attaché (acting for France, Belgium, and Switzerland), Consul-General and Vice-Consul.
 Chantilly, Vice-Consul.
 Reims, Vice-Consul.
 Ajaccio (Corsica), Vice-Consul.
 Bastia, Vice-Consul.
 Bordeaux, Consul and Vice-Consul.
 Arcachon, Vice-Consul.
 Bayonne, Vice-Consul.
 Biarritz, Vice-Consul.
 La Rochelle, Vice-Consul.
 Limoges, Vice-Consul.
 Pau, Vice-Consul.
 Pauillac, Vice-Consul.
 Sables d'Olonne, Consular Agent.
 Tonmay-Charente, Vice-Consul.
 Toulouse, Vice-Consul.
 Calais, Consul and Vice-Consul.
 Amiens, Vice-Consul.
 Boulogne, Vice-Consul.
 Croix, Vice-Consul.
 Gravelines, Vice-Consul.
 Lille, Vice-Consul.
 Dunkirk, Consul.
 Havre, Consul-General and Vice-Consul.
 Caen, Vice-Consul.
 Dieppe, Vice-Consul.
 Fécamp and St. Valéry en Caux, Vice-Consul.
 Honfleur, Vice-Consul.

Tréport and Eu, Vice-Consul.
 Lyons, Consul and Vice-Consul.
 Grenoble, Vice-Consul.
 Marseilles, Consul-General and Vice-Consuls.
 Cette, Vice-Consul.
 Hyères, Vice-Consul.
 Toulon, Vice-Consul.
 Nice and Monaco, Consul.
 Nice, Vice-Consul.
 Cannes, Vice-Consul.
 Mentone, Vice-Consul.
 Monaco, Vice-Consul.
 Rouen, Consul.
 Brest and Lorient, Vice-Consul.
 Cherbourg, Vice-Consul.
 Nantes, Vice-Consul.
 St. Briec, Vice-Consul.
 St. Malo, Vice-Consul.
 St. Nazaire, Vice-Consul.
 Lorient and Hennebont, Consular Agent.

Algeria

Algeria is technically a department of France, but commercially it is a colony. The area is 184,470 sq. miles, the population about 5,250,000, and the railways have a length of 2000 miles. The principal towns are Algiers (160,000), and Oran (110,000), which are also the chief ports, the former being in direct steamship communication with Southampton and Liverpool. American goods for Algeria or Tunis are generally transhipped at Liverpool or Marseilles. Both the Hamburg-America Line and the North German Lloyd Company run a fortnightly winter service from New York to Algiers and Tunis. The chief agricultural products are wheat, barley, oats, tobacco, cotton, wine, silk, dates, olives, fruits, vegetables, esparto, and cork. There are valuable mineral deposits, including iron, copper, lead, sulphur, zinc, antimony, marble, phosphate, and lithographic stone. The largest single industry is wine production. The wheat is excellent for the manufacture of semolina, which is an increasing industry. There are no industries other than those depending on agriculture. The exports have a value of about £13,000,000 annually, chiefly to France, but over £1,000,000 worth, representing principally iron ore, esparto, barley, phosphate, and zinc ore, comes to Britain. The imports of Algiers, which have an annual value of about £18,000,000, are chiefly from France, but Britain supplies direct about £1,000,000 worth annually, chiefly coal and machinery. The Algerian Sahara, which is organized as a separate territory, has at present no commercial importance.

The regulations affecting commercial travellers, &c., are the same as in France. . .

British Consulates.—

Algiers, Consul-General and Vice-Consuls.

Arzeu, Vice-Consul.

Bône, Vice-Consul.

Oran, Vice-Consul.

Philippeville, Vice-Consul.

Tunis

The area is 50,000 sq. miles, the population 2,000,000, and the capital and port is Tunis (230,000), which is in direct steamer communication with Manchester by the Prince Line, and with Marseilles and other Mediterranean ports by local lines. There are about 700 miles of railway. The agricultural products are wheat, barley, wine, olive oil, dates, and esparto grass, but stock-raising is more important than tillage. Cattle, sheep, camels, and horses are raised. There are good fisheries by the coast. Manufacturing industry is negligible. The minerals worked are salt, phosphates, iron, lead, zinc, and copper. Exports are about £4,000,000 annually, mostly to France; but about £700,000 worth are to Britain, consisting chiefly of barley, phosphate, esparto, and iron and zinc ore. The imports, chiefly from France, have a total value of about £5,000,000 annually, but about £400,000 worth, chiefly cotton goods, coal, and machinery, goes from Britain direct.

Certificates of origin are not required for general goods imported into Tunis, but upon goods imported under quarantine or phylloxera regulations, or under regulations governing the importation of cattle, foodstuffs, plants, shrubs, and vegetables, there must be a certificate issued by the sanitary authority in the exporting district and legalized by the French consul there. The regulations for commercial travellers are similar to those in France.

British Consulates.—

Tunis, Consul-General and Vice-Consuls.

Bizerta, Vice-Consul.

Gabes, Consular Agent.

Gerba and Zarzis, Consular Agent.

Mehdia, Consular Agent.

Monastir, Consular Agent.

Sfax, Vice-Consul.

Susa and Kairouan, Vice-Consul.

West and Central Africa

The area of French Congo is about 680,000 sq. miles, and the population about 10,000,000, including 120,000 Europeans. The ports are Loango

(5000) and Libreville (3000), which are reached by steamers from Marseilles. Manioc, coffee, vanilla, and cocoa are cultivated; the forests contain valuable timbers and yield rubber; the minerals include gold, copper, and iron. The exports, chiefly rubber, ivory, ebony and other hardwoods, palm nuts and oil, coffee, cocoa, and kola nuts, have a value approaching £1,000,000 annually. Wadai, Kanem, and Bagirmi are internal African states recognized as French, but they have no commercial importance.

French West Africa comprises Senegal, French Guinea, the Ivory Coast, Dahomey, and the Upper Senegal-Niger Colony, and has an area of 1,500,000 sq. miles, with a population of about 9,000,000. The chief towns are Porto Novo, in Dahomey; Konakry, in French Guinea; Bingerville, in the Ivory Coast; St. Louis and Dakar, in Senegal; and Bamako, in the Upper Senegal-Niger territory. The chief products are palm oil and kernels, sesame, rubber, gums, coffee, mahogany, and skins. The exports have a value of over £3,000,000 annually, about half being to France and French colonies, and the imports have a value of about £4,000,000 annually, almost half being from France and French colonies.

The imports of Britain direct from French West and Central Africa are valued at about £700,000 annually. More than half of the value is for rubber, and one-fifth for mahogany, the other principal articles being gums, ivory, nuts, palm oil, and wax. The imports from Britain have a rather greater value, of which cotton goods account for more than half, the other chief items being coal, seed oil, iron, hardware, spirits, and salt.

British Consulates.—

Congo Colony, Consul and Vice-Consul.

Libreville, Vice-Consul.

Dahomey, Consul.

Dakar, Consul-General and Vice-Consul.

Grand Bassam, Vice-Consul.

Madagascar

This, the fourth of the world's islands in size, has an area of 228,000 sq. miles, and a population of over 2,500,000, of whom 16,000 are European. The capital is Antananarivo (70,000), and the chief ports are Tamatave (7000) and Majunga (5000), which are reached by the Messageries Maritimes steamers from Marseilles. The only direct service between the United States and Madagascar is by the Union Clan Line. Goods are often sent via Havre or Marseilles. The agricultural products are rice, manioc, sugar, coffee,

cotton, cocoa, vanilla, pepper, cloves, tobacco, ginger, and indigo. There is silk culture. The forests contain many valuable timbers, and rubber is the principal product of the island. There are large herds of humped cattle, and also sheep, swine, goats, and horses. Iron, which is abundant, is worked, and so are gold, lead, and copper. Coal is found. Silk and cotton weaving are prosecuted, and although other manufacturing industries have not been established on any scale worth mentioning, the natives soon acquire skill in wood and metal working, so that the field for manufacturing enterprise does not lack potentially efficient labour. The exports, consisting chiefly of rice, cattle, hides, lard, gum, rubber, cotton, sugar, wax, coffee, gold, copal, and dyewoods, have a value of £1,000,000, about one-fourth of which comes to Britain, chiefly in the form of rubber, hides, and wax. The imports have also a value of over £1,000,000, of which only some £30,000 is from Britain, the articles being of mixed merchandise, with coal the principal item. Travellers are advised to carry passports.

British Consulates.—

Antananarivo, Consul.

Majunga, Vice-Consul.

Tamatave, Consul

Diego Suarez, Consular Agent.

Réunion

The area is 970 sq. miles, the population about 180,000, the principal town St. Denis (26,000), and the chief port is Pointe-des-Galets. There is a railway of 80 miles. The island has steamer communication with Marseilles, Madagascar, and Mauritius by the Messageries Maritimes steamers. The chief products are sugar, rum, coffee, tapioca, vanilla, and spices. The exports are worth about £500,000 annually, and the imports a little less. Nearly all the trade is with France, but from Britain a little coal is purchased. The island of Mayotte and the Comoro Islands, with a total area of 560 sq. miles, and a population of about 100,000, are administered by the Governor of Réunion, and have similar products.

British Consulates.—

Réunion, Consul.

St. Denis, Vice-Consul.

French Somaliland

The area is 5,800 sq. miles and the population 180,000. The capital and port is Jibuti (15,000) on the Red Sea, and from there a railway penetrates to Abyssinia. Jibuti is reached by Messa-

geries Maritimes steamers from Marseilles and by local steamers from Aden. Agriculture is negligible, but there are good fisheries and a considerable transport trade, as Abyssinian trade finds its exit and entrance through Somaliland. The exports approach £1,000,000 annually, chiefly for coffee, gold, ivory, musk, and skins. A few thousand pounds worth—chiefly coffee, rubber, and ivory—come to Britain direct. The imports have a value of about £700,000, of which about £100,000 worth, principally for cotton goods but including also coal and iron, go from Britain.

French India

Pondicherry and the other four towns of French India, which are the relics of French dominion in India, have an aggregate area of 196 sq. miles, and a population of about 287,000. The ports are Pondicherry (47,000), Karikal (18,000), and Mahé (10,000). Pondicherry is a port of call by the steamers of the Messageries Maritimes on the route from Colombo to Calcutta, and is also served by the British India Company's ships from Madras and Rangoon. There is a fair cotton and jute industry and some oil factories. The chief products and articles of export are ground nuts and seeds. The chief trade is with British India. The exports have a value of about £1,000,000, of which only a few thousands, principally for nuts and kernels and cotton manufactures, come to Britain. The imports have a value of about £300,000, those from Britain being negligible.

British Consulate.—

Pondicherry and Karikal, Consul.

French Indo-China

The possessions of France comprised under the name Indo-China consist of Cochin China, Annam, Cambodia, Tongking, Laos, and the territory of Kwang-Chau-Wan ceded by China. The total area is 310,000 sq. miles. The capital towns are Hué (50,000), in Annam; Phnompenh (50,000), in Cambodia; Saigon (50,000), in Cochin China; Hanoi (150,000), in Tongking, the capital of French Indo-China; Vientiane, in the Laos Territory. The largest port is Saigon, and it is reached by fortnightly sailings of the Messageries Maritimes from Marseilles, Colombo, Singapore, and Hong Kong, also by local steamers from eastern ports. There is no direct service between the United States and French Indo-China, to which goods are sent via Marseilles, Colombo, or Singapore for transshipment. The different colonies are being opened up by railways, the length being about 800 miles. The principal products are rice,

pepper, tea, sugar, cotton, silk, coal, salt, copra, and hides. The exports have a value of about £9,000,000, chiefly to France and to the neighbouring countries. Britain imports direct from French Indo-China goods to the value of about £300,000 annually, nearly the whole being rice. The annual value of the imports of French Indo-China is about £10,000,000, only about £100,000 worth being from Britain direct—chiefly cottons, metals, and machinery.

The regulations for commercial travellers are similar to those in France.

British Consulates.—

Hanoi, Consul.

Haiphong, Vice-Consul.

Saigon, Vice-Consul.

French Oceania

New Caledonia and its dependencies, the Loyalty and other islands, have a total area of about 8600 sq. miles, and a population of about 60,000, of which 55,000 are in New Caledonia, the capital of which is Noumea (7000). Agriculture and cattle-breeding are the pastoral industries, and coffee is of increasing importance. New Caledonia, used as a French convict station, is one of the world's most important sources of nickel, which is mined there extensively. The exports have a value of about £400,000, most of which, represented by nickel, copper, and iron, comes to Britain. The imports have about a similar value, mostly from Australia. Except for about £5000 worth of cotton goods and some iron goods from Britain, the direct importation from Britain is negligible. The other French islands in the Pacific include the Society, the Marquesas, and other groups, with a total area of about 1500 sq. miles, and a population of about 30,000.

The possession of a passport is desirable in New Caledonia in view of the existence of the penal colony.

British Consulates.—

New Caledonia (Noumea), Consul and Vice-Consul.

Tahiti, Consul and Vice-Consul.

French Guiana

The area is about 30,000 sq. miles and the population about 40,000, the capital and port being Cayenne (13,000), which is reached by the steamers of the Compagnie Générale Transatlantique from St. Nazaire. There is a little agriculture—ice, maize, manioc, coffee, indigo, sugar cane, and tobacco—but gold is practically the only export. The imports and exports have each

a value of about £500,000 annually, the trade being chiefly with France. A little phosphate comes to Britain, and the imports from Britain seldom vary from £2000 to £10,000 a year, cotton goods, machinery, and iron manufactures being the chief items.

The regulations affecting commercial travellers are similar to those in France.

British Consulate.—

Cayenne (and Surinam), Consul and Vice-Consul.

French West Indies

Guadeloupe, with its dependencies, has an area of 690 sq. miles and a population of 190,000. The capital is Basse-Terre (9000), and the chief town is Pointe-à-Pitre (15,000); both are ports served by the Compagnie Générale Transatlantique from St. Nazaire. The French West Indian islands have direct steamer communication with New York by the Quebec Steamship Company and by the New York and Demerara Line. The principal products are sugar, rum, cotton, coffee, cacao, and fruit. The exports and imports have each a value of about £600,000 annually. Martinique has an area of 380 sq. miles and a population of 182,000, the capital being Fort de France (27,000), reached as above. The principal products are sugar, logwood, and cocoa. The exports have a value of about £750,000 annually, and the imports of about £600,000.

British trade with the French West Indies is small, sugar being the chief item. Imports from Britain are about £60,000 annually, mostly for manure.

Passports are required by law in Martinique, but the law is seldom enforced.

British Consulates.—

Martinique (Fort de France), Consul.

Guadeloupe (Pointe-à-Pitre), Vice-Consul.

St. Pierre and Miquelon

These islands, in the Gulf of St. Lawrence, near Newfoundland, have an area of 93 sq. miles and a population of less than 5000. They are reached from Halifax and Boston. The only industry is cod fishing, the salting and drying of cod fish, and the manufacture of cod-liver oil. The exports have a value of about £300,000 annually, nearly all being cod fish and oil, but none of this comes to Britain. The imports have a value of about £200,000 annually, of which only £5000 worth, nearly all sent by parcel post, goes from Britain.

British Consulate.—Consul.

GERMANY

The total area of Germany is 208,780 sq. miles, so that it is two-thirds larger than the United Kingdom, and the population is well over 60,000,000. The population of Berlin, the capital, exceeds 2,000,000; and the other largest cities and towns are Hamburg, 803,000; Munich, 540,000; Dresden, 520,000; Leipzig, 510,000; Breslau, 475,000; Cologne, 440,000; Frankfort, 335,000; Nuremberg, 300,000; and Dusseldorf, 260,000. The great ports of Germany on the North Sea are Hamburg and Bremen (215,000), and the chief Baltic ports are the river harbours of Königsberg (224,000), Danzig (160,000), and Stettin (224,000). But the ports of Holland and Belgium—principally Rotterdam and Antwerp—constitute the most convenient points of shipment westward for western and southern Germany.

Shipping and Railways

Berlin, Bremen, and other cities of Germany are most quickly reached from Great Britain by Harwich and the Hook of Holland, by Queenborough—Flushing, and by Dover—Ostend; but there is also direct service from Hull to Hamburg, Stettin, Danzig, and Königsberg by the Wilson Line, from Hull and from London to Bremen by the Argo Line; from Harwich to Hamburg by the General Steam Navigation Company; from Leith to Hamburg by the Leith, Hull, & Hamburg Line; from Newcastle to Hamburg by the Tyne-Tees Steam Shipping Company; and from West Hartlepool by the West Hartlepool Steam Navigation Company.

Steamship communication between Germany and the United States is maintained by the Hamburg-America Line (from Hamburg to New York, Boston, Philadelphia, New Orleans, and Galveston, and from Stettin to New York), by the North German Lloyd Line (from Bremen to New York weekly, and from Bremen to Galveston), by the Brauer Line (from Hamburg to New York and Philadelphia), by the Scandinavian-American Line (from Stettin to New York), by the Union Line (from Hamburg to Newport News and Norfolk), and by the Vogeman Line (from Hamburg to New York, Norfolk, New Orleans, and Fernandina, Fla., and from Bremen to New Orleans).

Germany has over 36,000 miles of railway, mostly owned by the Imperial or State Governments, and over 8000 miles of canals and navigable river channels, so that internal communica-

tions favour the convenience and expansion of industry and commerce.

Resources

Germany has an exceptionally large area of productive land—over 90 per cent of the total—and the land laws are framed to encourage agricultural industry to the utmost degree. The chief crops, according to acreage covered, are rye, hay, oats, potatoes and beets, wheat, barley, vines, hops, and tobacco. According to weight of crop, the order is potatoes and beets, hay, rye, oats, wheat, barley, tobacco, and hops. The principal domestic animals are cattle, pigs, sheep, horses, and goats. Sheep were formerly more numerous than all the others put together, but the soil has become too valuable for sheep pasture, and this stock has suffered a great decline. The agricultural interests are helped very much by agricultural associations, which number 23,000, with a membership of over 3,500,000, the functions of the associations being mutual buying, producing, selling, wine pressing, and even giving financial aid to members, in which department of association work assistance is given by the Prussian Government.

Production of the raw materials for the German textile industries does not pay. The cultivation of flax has decreased, owing to the superiority of Russian flax on account of the Russian climate. Jute is brought from British India, as, naturally, jute is not a German crop; cotton is likewise imported, principally from the United States; and, for a reason already mentioned, the production of domestic wool is continually shrinking, the needs of German mills being supplied by the Argentine and Australia. The land also fails to provide all the tobacco, timber, and hides necessary for the respective industries for which these are raw materials, and imports remedy the deficiency.

Beet-sugar manufacture and the distillation of alcohol (potato spirit) are the great auxiliary industries of German agriculture. Beets make a profitable crop for the best soils, and Irish potatoes for the worst, such as the sandy soils of East Germany. These industries have been brought to their present great importance by protective measures, specially designed to foster them. Germany has a greater area under sugar beets than any other country except Russia, and has twice as much as France. The crop is far greater than that of any European country, Russia included. The sugar production, which engages about 400 fac-

tories, exceeds 2,000,000 tons annually, and is about twice as much as that of any other country. Half the output is exported, and 70 per cent finds its market in Britain. The distilleries of Germany produce about 100,000,000 gallons of spirit annually, about 80 per cent being from potatoes and almost 20 per cent from grain, with about 2 per cent from molasses.

The study of forestry is keenly followed, and its practice is an art. The greater part of the forest land is owned by the states, especially Prussia and Bavaria, and by local municipalities. The lumber yield is over 20,000,000 cubic metres annually, not including firewoods, stumps, and brushwoods, which come to half as much again, yet this supply is unable to provide the quantity of timber demanded by the German woodworking industries.

Germany is rich in minerals, the principal being, in the order of importance according to output, coal, lignite, iron, potassic salt, rock salt, copper, zinc, and lead. Most of the mines are in the provinces of Prussia, coal and iron being produced in Westphalia, Rhenish Prussia, and Silesia; zinc in Silesia; and silver and copper in the Harz. In addition, coal and iron are mined in Saxony and Lorraine, silver in Saxony, and iron in Luxemburg. The total value of minerals raised is about £100,000,000 per annum. Over three-quarters of the value is for coal, and lignite is responsible for about £8,000,000. The next most important mineral is iron ore, the output of which exceeds £5,000,000, and is followed by potassic salts and kainite, which amount to over £3,000,000 each. Zinc ore accounts for over £2,500,000, and copper ore for half that sum. The value of lead ore approaches £1,000,000, and of rock salt £300,000. The precious metals are not found on a commercial scale.

Fisheries are not important outlets for German activity. The boats going to North Sea fisheries exceed 600, and the men employed exceed 5000. Much of the herring product is salted, but the quantity fails to satisfy the domestic demand. The Baltic catch is principally sprats, and its value is only about one-fourth that of the North Sea catch.

Manufactures

The textile industries afford employment to more wage-earners than any other manufacturing group—over a million in all—and about as many as are employed in the next two most important groups—machinery and woodenware—which claim about 600,000 each. Then come iron manufacture, with well over half a million workpeople, and the paper, leather, and rubber manufacturing

trades, between them employing about two-thirds as many people. Of every department of manufacturing industry, Prussia is by far the principal seat, and Saxony and Bavaria follow a long way behind. A feature of German industry is that the country consumes its raw materials, exporting very little, and preferring to export finished manufactures. This feature will be more apparent in considering German export trade.

Exports

The exports of Germany exceed £300,000,000 annually, and about one-sixth of this great total comes to Britain, which is the principal customer. The other chief purchasing countries, with their average proportions, are Austria-Hungary 12 per cent; the United States, 8 per cent; Holland, Russia, France, and Switzerland, each about 7 per cent; and the other chief countries are Belgium, Italy, Denmark, Sweden, Argentina, British East Indies, Brazil, and Japan.

The principal exports fall into certain well-defined groups. The iron and steel group is very important, and accounts for over £35,000,000 annually. The highest values in the group are for fully manufactured goods, and the smallest are for raw and semi-raw goods, such as pigs, rails, and bars, showing that a high proportion of German labour enters into German exports in this department. The allied department of machinery accounts for over £20,000,000 annually, machine tools are the most important class in the group, followed by locomotives, electrical machinery, steam engines, and agricultural machinery. Brass and copper wares claim about £6,000,000 annually. Jewellery and fancy goods, a finer department of the metal trades, are represented by over £10,000,000 annually, musical instruments by about £3,000,000, and scientific instruments by over £1,000,000. The exports of materials and manufactures of textile fibres account for well over £50,000,000 annually, almost 50 per cent being for cottons, about 35 per cent for woollens, and 15 per cent for silks. In all these the rule holds that greatest values are for finished products, raw materials and semi-raw materials being very subordinate. The German chemical industries, the most important in the world, have an export trade worth about £30,000,000 annually. About one-third of the value is for coal-tar dyes, and indigo and potassium (chloride) are important in the group. Coal is responsible for £14,000,000 of export value, and coke for over £4,000,000. The average exported values of specific articles belonging to some of the great groups of industries are leather, £8,000,000; glass and glassware, and

books and engravings, each £5,000,000; paper, £4,000,000; toys and woodenware, each £3,500,000; rubber goods, £3,000,000; gloves, £3,000,000; beer and cement, each £1,000,000. Cereals, including flour, have a value of about £8,000,000, hops of £1,500,000, and potatoes of about £5,000,000; sugar claims £10,000,000, the greater portion being refined. The exports of animals are small, but certain animal products are important: bristles, £1,000,000; hides and skins, £6,000,000; and dressed skins, £5,000,000. Such are the main features of the export trade of a country which has in a few years advanced in the industrial arts and in the extent of her commercial activities at a greater pace than any other old-world power.

German exports to Britain have, according to British returns, an annual value approaching £60,000,000. By far the most important item is sugar, which we purchase to an annual value of about £10,000,000, rather more than half being refined. Then come cotton manufactures with a value of £5,500,000, chiefly comprising piece goods, hosiery, and lace. The next group in order of value is iron and steel, totalling about £3,500,000, steel ingots, blooms, and billets being the chief constituents. Woollen and worsted manufactures are bought to a value of over £2,000,000, and silks to a value of about £2,000,000, chiefly for broadsuffs. Coal-tar dyestuffs, skins and furs and manufactures thereof, leather, machinery, toys and games, apparel, chemicals, and paper are the next most important exports to Britain; and after these the commodities worthy of mention include motor cars and their parts, glass and glassware, leather manufactures (especially gloves), electrical goods and apparatus, crude zinc, painters' colours, musical instrument, hardware, oats, china and earthenware, embroidery and needlework, wood and timber, and fancy goods.

Imports

The value of German imports is over £400,000,000 annually. The United States provides about one-seventh of the total value, Russia about one-eighth, Austria-Hungary and Britain about one-tenth each. The next most important contributing countries are France, British East Indies, Argentina, Belgium, Italy, Australia, Holland, Switzerland, and Brazil. That Britain has no higher place is explained by the fact that Germany's imports consist principally of foodstuffs and raw materials, for which Britain has herself to depend on other foreign countries. But it is said that more British trade would be done if it were not generally transacted through German agents. The establishment of a British Chamber

of Commerce in Hamburg and other places was expected to obviate this. Cereals, principally wheat, barley, and maize, account for about 10 per cent of the total imports, and the food products—cocoa, coffee, eggs, herrings, rice, and wine—give a total value of £25,000,000. Of the raw materials, cotton is the most important, amounting to about £25,000,000 annually, and cotton yarn adds £4,000,000. Cotton manufactures represent less than £3,000,000. The imported flax is worth only £2,000,000, but the raw silk is worth over £8,000,000, with silk goods to the value of £3,000,000. Raw wool comes to nearly £20,000,000, woollen yarns to £6,000,000, while woollen manufactures amount to less than £1,500,000. Chemicals and drugs are imported to the value of about £20,000,000, hides and skins and timber each to about £15,000,000. These staples may be cited as the great German imports. There are many others of a general nature which it is too lengthy a task to review at length. But we may remark that imports show a surprisingly low percentage of fully manufactured goods, revealing the high efficiency and the wide range of German manufacturing skill and activity.

In glancing at the records of exports of British produce and manufactures to Germany, we shall see that the greater part is not fully manufactured goods, but raw and semi-raw materials. The annual value is about £40,000,000, not including transhipped goods, which come to another £15,000,000. The most important class is wool and woollens, which aggregates £9,000,000 annually, five-sixths being for raw wool and yarns. The cotton group represents from £6,000,000 to £8,000,000, fully half being for yarn. The largest individual item is coal, the value of which fluctuates between £3,000,000 and £6,000,000. Herrings and iron each claim about £2,000,000. These few groups or articles comprise two-thirds of the total value of Britain's exports to Germany. Machinery usually exceeds £2,000,000, more than half being for textile machinery, and the only other group usually over £1,000,000 is ships. Other articles of importance are rubber goods, chemicals, bran and pollard, leather, linen yarn, linen piece goods, copper, oil, and skins and furs.

Customs Duties

The following may be taken as typical instances of German duties upon imports from Britain. (See also Chapter II of this Part.)

- Cotton thread, in form for retail sale, 3½d. per lb.
- Cotton velvet, mostly 6½d. per lb.
- Woollen shawls, 5-35d. per lb.
- Steel rails, 1s. 3d. per cwt.

Cutlery, fine, 12s. per cwt.
 Machinery, steam engines, mostly 2s. 6d. per cwt.
 Tinplates, 2s. 6d. per cwt.
 Leather belting, 25s. per cwt.
 Rubber shoes, 35s. or 40s. per cwt.
 Wallpaper, 6s. or 12s. per cwt.
 Oil varnish, 3s. 6d. per cwt.
 Paraffin wax, 4s. or 5s. per cwt.
 Coal, free.
 Cement, free.
 Copperas, free.
 Beer, 4s. 10d. per cwt.
 Herrings, salted, in barrels, 2s. 11½d. per barrel.
 Candles, 11s. 6d. per cwt.

Certificates of origin are not generally required for British goods imported into Germany, but where the article imported is subject to a differential rate of duty, the importer must declare and, if necessary, prove the country of production or manufacture. Certificates of origin are not required for goods imported into German colonies, but there are special regulations for vine shoots, plants or leaves, horses, cattle, and other animals.

Local Regulations

For commercial travellers visiting Germany a licence is necessary. It costs 1s. for one year, and is granted subject to the payment of taxes imposed by each state. Travellers may carry samples only, and not the actual goods they desire to sell. Samples are allowed to enter duty free, provided they are unfit for use. Samples properly subject to duty may be entered without payment of duty under the terms of the agreement between Great Britain and Germany, which is similar to that between Britain and Switzerland (see "Switzerland").

The standard of monetary value is the *mark*, which contains 100 *pfennige*, and is worth 11¾d. A British sovereign is worth 20·43 marks. The metric system of weights and measures is used (see "France").

• Passports

German Empire.—For residence of more than three weeks a passport is absolutely necessary. Children of foreigners sent to schools in Germany should carry passports.

British Consulates.—

Berlin, Consul-General and Vice-Consul.
 Breslau, Vice-Consul.
 Magdeburg, Vice-Consul.
 Danzig, Consul and Vice-Consul.
 Königsberg, Vice-Consul.
 Memel, Vice-Consul.
 Pillau, Vice-Consul.

Düsseldorf, Consul-General and Vice-Consul.
 Cologne, Consul.
 Frankfurt-on-the-Main, Consul-General and Vice-Consuls.
 Hamburg, Consul-General and Vice-Consuls.
 Brake, Vice-Consul.
 Bremen, Consul.
 Bremerhaven, Vice-Consul.
 Cuxhaven, Vice-Consul.
 Emden, Vice-Consul.
 Flensburg, Vice-Consul.
 Hanover, Vice-Consul.
 Harburg, Vice-Consul.
 Husum, Vice-Consul.
 Kiel, Vice-Consul.
 Lubeck, Vice-Consul.
 Papenburg, Vice-Consul.
 Rostock, Vice-Consul.
 Tönning, Vice-Consul.
 Wismar, Vice-Consul.
 Leipzig, Consul-General and Vice-Consul.
 Chemnitz, Vice-Consul.
 Dresden, Consul and Vice-Consul.
 Mannheim, Consul.
 Munich, Consul and Vice-Consul.
 Nuremberg, Consul.
 Stettin, Consul.
 Swinemunde, Vice-Consul.
 Stuttgart, Consul and Vice-Consul.

German West African Possessions

Kamerun or Cameroons, in West Africa, has an area of 191,000 sq. miles and a population of about 3,000,000, including about 1000 whites. The chief town is Buea, which is reached from Hamburg by the Woermann Line. Railway construction is being undertaken. The principal productions are cocoa, coffee, rubber, kola, ivory, and palm oil. Gold and iron deposits exist. The exports have a value of about £600,000 yearly.

Togoland, which adjoins the British Gold Coast Colony, has an area of 33,700 sq. miles and a population of about 1,000,000, of whom only 300 are Europeans. Lome, the capital, is reached by the steamers of the Woermann Line sailing from Hamburg. There are a few miles of railway. The principal products are palm oil, ivory, cotton, and gum. Exports have a value of about £350,000, and imports of about £400,000 annually.

German South-west Africa has an area of about 322,500 sq. miles and a population of about 120,000, including 12,000 Europeans. The capital is Windhoek, 180 miles inland from the port of Swakopmund, which, by means of the German East Africa Line, is in communication with South African ports, and Southampton, Hamburg, and

Marseilles. There are several other railway lines. There are agricultural possibilities, but practically no agriculture. Deposits of guano are worked and the produce exported. The mineral wealth is considerable, the principal value being for diamonds and copper. The exports are insignificant, and the imports have been several millions annually, both conditions being due to the native war that Germany has had on her hands in the territory.

From the whole of German West Africa Britain imports goods approaching the value of £200,000 annually, the principal articles being rubber, palm oil, ivory, copper ore, and raw cocoa. British exports to these colonies aggregate about £250,000 annually, chiefly for cotton goods, metal goods, clothing, and coal.

British Consulates.—

Kamerun, Consul.

Duala, Consular Agent.

Togo-land, Consul-General.

Africa (South-west), Luderitzbucht, Consul.

German East Africa

The area is about 384,200 sq. miles and the population about 10,000,000, including about 3000 whites. The principal ports are Dar-es-Salaam (24,000) and Tanga (6000), which are reached from Europe and South African ports by the steamers of the German East Africa Line. There are two short railways which are being extended. The field products are coffee and cotton; the forest products are rubber and gum; the animal product is ivory, and the known mineral resources are gold, coal, mica, and garnets. Exports have a value of about £600,000 annually, and imports over £1,000,000. Exports to Britain are under £10,000 a year, but imports from Britain sometimes exceed £40,000 annually, mostly cotton goods, ironware, spirits, and coal.

British Consulate.—Consul-General stationed at Zanzibar.

German Pacific Colonies

The German part of the island of New Guinea is called Kaiser Wilhelm's Land. With adjacent islands it has an area of 70,000 sq. miles and a population of 110,000, including about 200 Europeans. The capital is Friedrich Wilhelmshafen. The agricultural products are timber, areca nut, sago, tobacco, cotton, coffee, cocoa, bamboo, ebony, and other hardwoods. The stock animals are

horses, cattle, and goats. Gold has been found. Almost the only export is copra, and the total value of exports is only a few thousands annually. The imports have a value of about £50,000 annually. Arms, gunpowder, and spirits may not be sold in the country. British trade with German New Guinea is worth only a few hundred pounds yearly.

• The governor of German New Guinea administers the islands of the Bismarck, Caroline, Pelew, Ladrone, and Marshall Archipelagoes, which have a combined area of 25,000 sq. miles and a population of about 160,000. The chief products are copra, coconut fibre, and phosphate. The exports of these have a value of only about £100,000 annually, and the imports are under £200,000.

German Samoa consists of several islands, of which the principal are Upolu and Savaii, having an area of 1000 sq. miles and a population of 35,000, including about 500 whites. The port and chief town is Apia in Upolu, which is visited by Australian and New Zealand steamers, the chief trade being with these countries. The principal exports are copra and cocoa. Exports and imports have each a value of about £150,000 annually.

The trade of Britain with German Pacific possessions is very small and fluctuating. Sometimes nuts and kernels for oil expression are imported from these parts to the value of about £20,000 in one year, and straw plaiting has figured in recent years in the returns. Sometimes a few thousand pounds' worth of cotton goods from Britain go thither.

British Consulates.—

New Guinea, Herbertshöhe (Bismarck Islands), Consul.

Yap, Vice-Consul.

Samoa, Apia, Vice-Consul.

Kiao-Chau

This German station in China has an area of about 200 sq. miles and a population of about 33,600. Its principal value to Germany is as a naval and coaling station. There is a railway of about 330 miles open, and the port of Tsingtau, the capital, is developing a considerable trade. The chief products are fruit, ground nuts, sweet potatoes, silk, and coal. There is a silk factory, soapworks, and breweries. There is no trade direct with Britain.

British Consulate.—

Chinanfu, Tsingtau, Consular Agent.

GREECE

The area of Greece is 25,000 sq. miles, so that it is just about half as large as England, and the population is under 3,000,000. Athens, the capital, has a population of 170,000. Piræus, the port of Athens, has a population of 74,000, and is the principal industrial and commercial centre on the mainland, but Hermopolis (18,900), on the island of Syra, has a larger shipping trade, and is the commercial emporium of the Ægean. Patras (38,000), the third of the towns of Greece in size, is a port on the gulf which leads into the Gulf of Corinth, and has a fair shipping trade owing to its advantage of position, in spite of its exposed situation. Corinth is now a town of 5000 inhabitants, with a small harbour.

Shipping and Railways

The quickest route to Athens from Britain is through Continental Europe to Brindisi, thence by one of the steamers that ply thrice weekly to Patras, and then by rail to Athens. There is direct steamer service between Liverpool and Syra monthly by the Moss Line; between Liverpool and Syra and Patras by the Papayanni Line; between Marseilles and Athens (Piræus) by the Messageries Maritimes de France and by the Nord-deutscher Lloyd steamers.

There is no direct steamship service between the United States and the ports of Greece. Goods are sent to England or to one of the Mediterranean ports and transhipped.

There are 845 miles of railway line open, all owned by private companies. Good roads, which are specially necessary in a mountainous country, are few, but road construction is receiving attention.

Resources

Greece is mainly agricultural, and by the help of foreign agricultural machinery, principally British, practice is improving. The cultivated land is supposed to have an area of about 5,500,000 acres, and the draining of Lake Copais redeemed 60,000 acres. The cereal crops are wheat, barley, and maize; but the produce is not sufficient for domestic needs, and much grain food is imported. The most important crop is the currant, which is cultivated principally on the Peloponnesus coast and in the islands off the west coast. The exportation of currants is the monopoly of a company that received in 1905 a charter giving them privileges for 20 years. Other fruits grow without excessive care in cultivation, the principal being figs,

almonds, oranges, citrons, melons, and grapes. Olives and tobacco are also cultivated, and mulberries make silk culture possible. The forests have a plentiful supply of oak, the acorns of which yield the tanning substance known as valonia; but other tanning agents have superseded valonia, and its preparation is rapidly falling off. The rearing of stock is not properly understood in Greece, and fodder crops are not raised. There are few cattle, and asses and mules are more numerous than horses. Sheep and goats provide dairy produce and wool, which is coarse in quality. The sponge fisheries are valuable, and sponge is an important article of export.

The annual value of the mineral output of Greece approaches £1,000,000. Thirty per cent of the value is for argentiferous lead, 20 per cent is for iron, and 10 per cent for calamine. The remainder, in order of value, are salt, magnesite, manganese, chrome, emery, marble, speiss, and lignite. The other minerals are paltry in output.

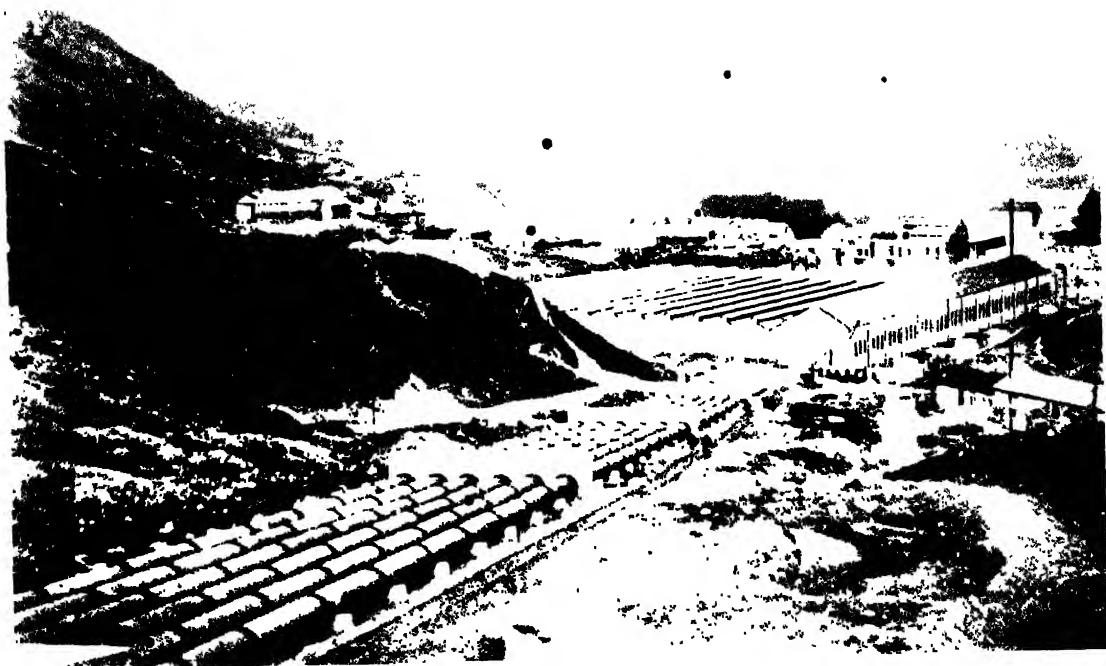
Piræus is a centre of a modest manufacturing industry, which is increasing under the favour of high import duties, and there are manufactures of less importance in Corinth, Patras, Larissa, and Syra. There are textile mills and factories for cotton, silk, and wool—leather works, machine, shipbuilding, and engineering shops, paper and dye works. Generally speaking, Greece is on the fair road to progress in industrial enterprise; harbours are being improved, roads made, irrigation schemes undertaken, and the many barriers that prevented an even industrial development are being removed one by one.

Exports

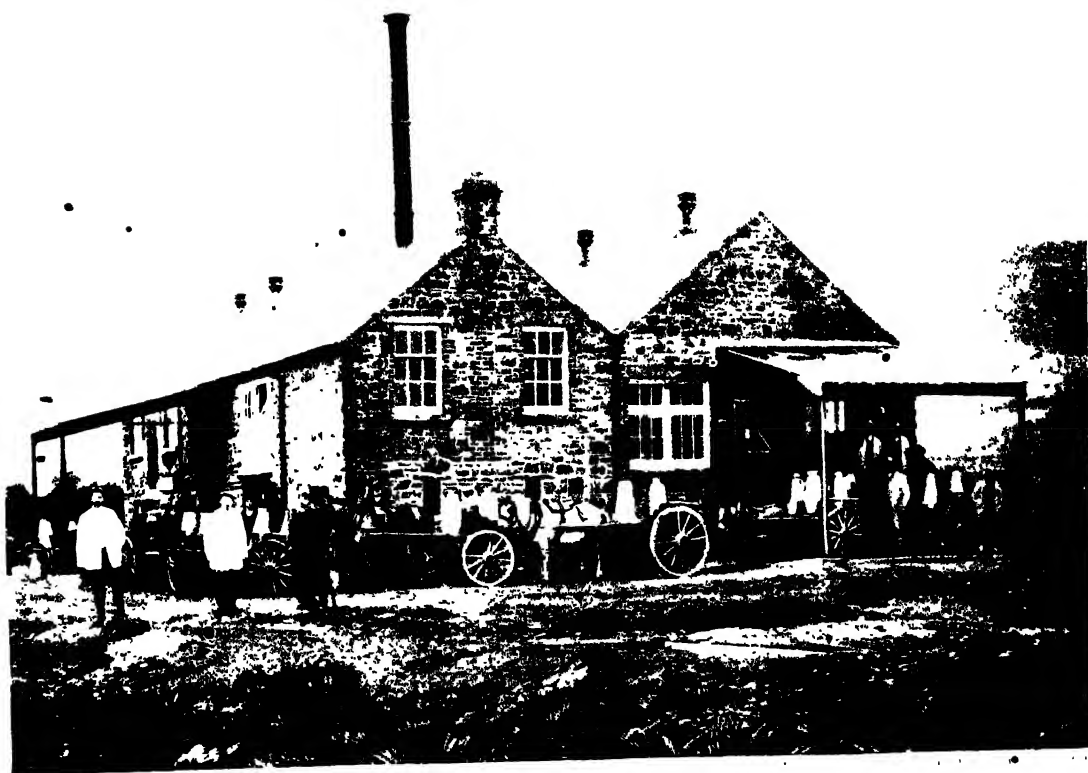
The exports of Greece have an annual value of about £4,000,000, and almost one-third of the total value is purchased by the United Kingdom. Austria, Holland, Germany, and the United States follow with about 10 per cent each. Minor purchasing markets are Egypt, France, Turkey, Italy, Belgium, and Russia. The greater part of the value of Greek exports to Britain is for currants, the annual bill for which is in excess of £1,000,000. The other items of importance are iron ore, sponge, raisins, stone, and preserved fruit.

Imports

The imports of Greece aggregate about £6,000,000 annually, and Britain is the chief contributor, with about 20 per cent of the total, Russia coming



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11 TEMPLEDERRY CO-OPERATIVE CREAMERY LTD. TEMPLEDERRY, TIPPERARY

close behind, and being followed by Austria, Germany, Turkey, Bulgaria, France, Italy, and the United States. The chief British exports to Greece are cotton and its manufactures (30 per cent of total), coal, woollen goods, ships, chemicals, iron, machinery, fish, stationery, and jute goods.

The following may be taken as typical of the duties placed by Greece upon produce and manufactures of the United Kingdom:—

Cotton sewing thread, 3·43*d.* per lb.
 Cotton velvet, 6·86*d.* per lb.
 Woollen shawls, 3*s.* 5½*d.* per lb.
 Steel rails, free.
 Cutlery, pocket, mostly 12*s.* per cwt.
 Machinery, steam engines, free.
 Tinplates, free.
 Leather belting, free.
 Rubber shoes, 182*s.* per cwt.
 Wallpaper, 32*s.* per cwt.
 Oil varnish, 16*s.* per cwt.
 Paraffin wax, 38*s.* 5*d.* per cwt.
 Coal, free.
 Cement, 32*s.* per ton.
 Copperas, 3*s.* 4*d.* per ton.
 Beer, in casks, 11*s.* 2*d.* per cwt.
 Herrings, salted or smoked, 2*s.* 5½*d.* per cwt.
 Candles, stearine, 6*s.* per cwt.

Certificates of origin are not required for goods imported into Greece direct from the country of production or manufacture.

Local Regulations

For commercial travellers visiting Greece there are no licences or regulations, but resident agents require trade licences. Deposit or security for the payment of duty is required, but exportation within one year secures its refund.

Greece is a member of the Latin Monetary Union (see "France"), and the *drachma* of 100 *lepta* has the same value as one franc. The metric system of weights and measures has been adopted by Greece, and is gradually making its way into commercial practice.

Passports

Persons entering the country by the land frontier are sometimes required to be in possession of passports.

British Consulates.—

Corfu, Consul and Vice-Consul.
 Cephalonia, Vice-Consul.
 Zante, Vice-Consul.
 Patras, Consul and Vice-Consul.
 Piræus, Consul and Vice-Consul.
 Athens, Vice-Consul.
 Laurium, Vice-Consul.
 Syra, Consul and Vice-Consul.
 Milo, Consular Agent.
 Santorin, Consular Agent.
 Seriphos, Consular Agent.
 Volo, Consul.

GUATEMALA

(See also Central America)

Guatemala is the most northerly of the Central American States, and has seaboard both on the Pacific side and on the Gulf of Mexico. The majority of the inhabitants are full-blooded Indians, who are more numerous there than in any other Central American State. The total number of foreigners does not exceed 12,000. The political and commercial capital is Guatemala City, which has a population of over 100,000, stands almost 5000 ft. high, and is connected by railway with the Pacific port of San José, with a population of 1500. The other chief towns are Quezaltenango (29,000), Cobán (31,000), Totonicapán (28,000), San Pedro (20,000), Santa Cruz (12,000), Jutiapa (11,000), Chiquimula (13,000), Zacapa (12,000), Escuintla (12,000), Huehuetanango (10,000). The chief Pacific ports are San José, Champerico, and Ocosingo; the chief ports on the Gulf of Mexico are Puerto Barrios and Livingston. There are a few hundred miles of railways, and several others are in course of construction.

About 1,000,000 tons of shipping enter Guatemalan ports annually, and of this a little over one-tenth is British, a proportion little over one-fourth that of German tonnage.

Resources

The soil is very fertile, and the principal crop is coffee, the cultivation of which is largely in the hands of Germans. The principal other crops are tobacco, sugar, bananas, rubber, wheat, maize, sweet potatoes, and beans. Cotton is cultivated a little. Timber, especially mahogany and cedar, is of importance. Stock-raising is an important industry in the highlands, and cattle, sheep, and swine are bred, the order given being that of importance. Hides are exported.

The only minerals worked are gold, silver, and salt; but many other minerals exist—lead, tin, copper, manganese, antimony, and sulphur.

The value of the exports totals about £1,500,000

annually, coffee being responsible for 80 per cent, hides coming next with a value of about £60,000, and rubber, timber, and bananas being between £40,000 and £30,000. About 12 per cent of the exports finds its way to Britain, the whole value being practically for raw coffee. Germany takes over half of the exports, and the United States over a quarter.

Manufacturing enterprise has some scope, but the quality of the output is generally low, and insufficient in quantity for the needs of the domestic market. The manufactures include the preparation of ramie fibre and coarse textiles, hats, boots and shoes, pottery, cigars, foundry products, furniture and musical instruments, agricultural implements, and rum.

Imports

The imports have steadily risen for some years, and are roughly equal in value to the exports. Cotton goods are by far the most important class, accounting for about a quarter of the total; and the next most important classes are provisions,

iron and hardware, machinery, liquors, chemicals, woollen goods, and linens. Fully a third of the imports are from the United States; Germany and Britain are each responsible for between 20 and 30 per cent. Almost two-thirds of Britain's share is for cotton goods, and the next most important items are sacks and bags and metal goods. Nothing else reaches the value of £10,000 annually.

No certificates of origin are required for goods imported into Guatemala unless in special cases, such as under quarantine or phylloxera regulations, or under regulations affecting the importation of cattle, foodstuffs, and certain other produce. Consular invoices are, however, necessary.

Local Regulations

The monetary unit is the *peso* or dollar (of 100 centavos), which is worth about 4s.

British Consulates.—

Guatemala, Consul-General and Vice-Consul.
Livingston and Puerto Barrios, Vice-Consul.
San José, Vice-Consul.
Quezaltenango, Consul.

HOLLAND

Holland has an area of 12,700 sq. miles, so that it is just a little more than twice as large as Yorkshire. The population is about 6,000,000. The political capital is The Hague, which has a population of 260,000; but the great commercial cities are Amsterdam (570,000) and Rotterdam (412,000).

Shipping and Railways

The quickest communication between Britain and Holland is between Harwich and the Hook of Holland; but there is also direct shipping service from London to Amsterdam by the Holland Steamship Company; from London to Rotterdam by the Batavier Line; from Hull to Amsterdam and Rotterdam and Harlingen by the Hull and Netherlands Steamship Company; from Leith to Amsterdam and Rotterdam by the Gibson Line; from Liverpool to Rotterdam by the Cork Steamship Company; from Newcastle to Rotterdam by the Tyne-Tees Steam Shipping Company; from Grimsby to Rotterdam by the Great Central Railway Company's steamers; and from Dundee to Rotterdam by the Gibson Line.

The steamship sailings between the United States and Holland are as follows:—

Cosmopolitan Line (weekly), Rotterdam, Amsterdam, and Philadelphia.
Cuban Line, Rotterdam and New Orleans.

Gulf Port Steamship Line (fortnightly), Rotterdam, New Orleans, and Galveston.

Holland-America Line, Amsterdam, Rotterdam, New York, Newport News, Norfolk

Holland-Boston Line, Rotterdam and Boston.

Johnston Blue Cross Line (monthly), Rotterdam and Norfolk.

Keystone Line, Rotterdam and Philadelphia.

Neptune Line (weekly), Rotterdam and Baltimore.

Netherland-America Steamship Company (twice weekly), Amsterdam, Rotterdam, and New York.

North American Transport Line (fortnightly), Rotterdam, Newport News, and Norfolk.

Texas Transport and Terminal Line, Rotterdam, New Orleans, and Galveston.

Vogelman Line, Rotterdam to New York, Norfolk, and Fernandina, Fla.

There are about 2000 miles of railway in Holland, rather more than half state-owned, but all worked by private companies. The canal mileage is as great as the railway mileage, and the canals form an important and economical method of communication and transport.

Resources

Holland is essentially agricultural and pastoral. Eighty per cent of the total area of Holland is under crops and grass, and about a quarter of the

proportion is under corn crops. Rye is the principal corn crop, according to acreage; but oats is more important, judged by output. Wheat, which is grown only in favoured parts of the south, is of less importance; and minor crops are barley, beans, peas, buckwheat, and spelt. The great root crop is potatoes, and the less important root crops are sugar beets, mangolds, turnips, carrots, and onions. Flax, grown for seed and fibre, is the only fibre crop, and the other field crops are winter colza, chicory, tobacco, clover, lucerne, and grass. Hops are very little grown indeed, but orchards and nursery gardens have over 180,000 acres devoted to them. Bulbs, shrubs, trees, and vegetables are grown for export as well as for domestic requirements, and this department of agricultural industry, of which Haarlem is the centre, is important and increasing. The Dutch excel in stock rearing and in dairy farming. Their horses and horned cattle are of high excellence. The domestic animals number about 3,500,000, of which almost half are cattle, the rest being pigs, sheep, horses, and goats. Sheep are diminishing in numbers, and pigs are increasing greatly. The fisheries of Holland engage over 5000 vessels, and employ over 20,000 of an aggregate crew; the catch is chiefly herrings and oysters. Fish-curing is a small industry. There are a few coal mines, chiefly owned by the state, in the province of Limburg; but the total quantity raised is only about 500,000 tons, and there are no other minerals in the country.

Manufacturing industry is not of high importance in Holland, and statistics of exports convey an erroneous impression of Holland's factory and foundry output, the reason being that a big volume of German productions has its outlet through the port of Rotterdam to foreign markets, and this is placed in some official figures to the credit of Holland. The dairy industry, including cheese-making, is important, and of manufacturing industries proper the most prominent are linen and woollen manufacture, distilleries, sugar factories, tanneries and leather works, potteries, tile and glass works, and tobacco-pipe manufactories. There is also a little shipbuilding. About 5000 works use steam power, and this may be taken as the number of works, large and small. Other than those specified above, the manufactories are small, and engaged upon an output for the domestic market.

The official trade figures of Holland, where they relate to values of trade, are very inaccurate, and constitute a most deceptive guide in estimating the value of Dutch exports and imports. For instance, those figures show that Holland exports Peruvian bark to the value of over £20,000,000 annually. The actual value of Peruvian bark

exported is about \$300,000 annually, and the inflated figure of £20,000,000 is given because articles passing into and out of Holland are valued according to a scale prepared in 1860, when Peruvian bark was worth 30s. per lb. instead of 5d., its present average price, and when the prices of many other commodities were very different from those prevailing to-day. No figures in the Dutch returns approach in inaccuracy those relating to Peruvian bark, but such a system of valuing makes every return unreliable.

Exports

Holland's exports, according to Dutch returns, have a value of about £170,000,000 annually, consisting largely of transhipped goods, and Germany purchases 50 per cent of the total. Britain comes second with less than 25 per cent, and Belgium third with about 12 per cent, so that less than 20 per cent in the aggregate finds its way to all other countries, of which the United States purchases most. Grain and flour, principally wheat, account for £20,000,000 of the total export value, and this is the most important individual group. Dairy produce exported (butter and cheese) comes to £4,000,000, and margarine to £4,000,000. The other articles with over or about £1,000,000 annually are bran, coffee, copper ore, unwrought copper, raw cotton, cotton manufactures, dyestuffs, fish, raw flax, raw hides, pig iron, iron rods and rails, steel manufactures, paper, rice, sugar, raw tin, vegetables, and wool. Many of these, particularly in the department of metals and textiles, are German goods finding an outlet through Dutch ports.

Britain's imports from Holland, according to British returns, have an annual value of about £17,000,000. Margarine and sugar each amounts to about £2,000,000; and the other chief commodities are pork, butter, condensed milk, strawboard, cheese, mutton, rice, bulbs and plants, prepared cocoa and chocolate, seed oil, bacon, starch, eggs, hides, tea, fish, cotton goods, zinc, yeast, tobaccos, flax, onions, and peas.

Imports

The imports of Holland have a value of about £230,000,000 annually, and the contributing countries in the order of their importance are as follows: Germany, 25 per cent; Dutch East Indies, 13 per cent; United States, 12 per cent; Britain, 11 per cent; and Belgium, 9 per cent. The chief group is that of cereals, the value of which exceeds £30,000,000 annually—almost half for wheat, and the remainder for flour, barley, rye, maize, and

oats. The other chief imports—those with over or about one million sterling—are coal, coffee, copper ore, copper ingots, raw cotton, cotton yarn, cotton manufactures, dyestuffs, raw hides and skins, pig iron, iron bars and plates, iron manufactures, machinery, margarine, palm oil, mineral oil, rice, seeds, spelter, steel manufactures, stone, sugar, tallow, timber, tin, wool, and manufactures of wool.

According to British official returns, the exports of the produce and manufactures of Britain to Holland have a value of about £12,000,000 annually. The commodities exceeding £1,000,000 in value are cotton yarn, coal, cotton manufactures, iron and steel and their manufactures; and the other important commodities are woollens, ships and boats, machinery, oils, corn, wool, grease and tallow, copper, leather and leather goods, horses, woollen yarn, and oilcloth.

The following are typical of duties upon British produce and manufactures entering Holland:—

Cotton yarn and thread, free.
 Cotton tissues, 5 per cent *ad valorem*.
 Woollen hosiery, shawls, &c., 5 per cent *ad valorem*.
 Steel rails, free.
 Cutlery, 5 per cent *ad valorem*.
 Machinery, free.
 Tinplates, free.
 Leather belting, free.
 Rubber shoes, 5 per cent *ad valorem*.
 Wallpaper, 5 per cent *ad valorem*.
 Oil varnish, 5 per cent *ad valorem*.
 Paraffin wax, free.
 Coal, free.
 Cement, free.
 Copperas, free.
 Beer, 2½d. per gal.
 Herring, in sealed tins, 21s. 2d. per cwt.
 Candles, 5 per cent *ad valorem*.

Certificates of origin are not required for goods imported into Holland or Dutch colonies, but a special declaration must be made regarding sugar refined in Britain.

Local Regulations

In Holland there is no direct commercial travellers' tax, but even transitory visitors doing business in the country are liable to an income tax of 25s. (15 florins) a year, upon payment of which they receive a certificate giving a temporary exemption from payment of duties upon samples, provided also security is given for the duty if the samples are not exported again within one year. Articles of gold and silver are subject to special provisions, and one-quarter of their value must be lodged with the Customs authorities as guarantee for the payment of duty or re-exportation.

The florin, also called the gulden or guilder, is the standard of monetary value. It is worth 1s. 8d. (about 2 francs), so that 12 florins equal a British sovereign. The metric system of weights and measures is in use (see "France").

British Consulates.—

Amsterdam, Consul and Vice-Consul.
 Groningen, Vice-Consul.
 Harlingen and Terschelling, Vice-Consul.
 Helder, Vice-Consul.
 Tiel, Vice-Consul.
 Utrecht, Vice-Consul.
 Ymuiden, Vice-Consul.
 Rotterdam, Consul and Vice-Consuls.
 Dordrecht, Vice-Consul.
 Flushing, Vice-Consul.
 The Hague and Scheveningen, Vice-Consul.
 Maasluis, Consular Agent.
 Terneuzen, Consular Agent.

(Chapter VII is concluded in Vol. III.)

THE EXTERNAL TRADE OF THE UNITED KINGDOM

I.—A Tabular Summary

Classes of Commodities.	Imports in £000.		Domestic Exports in £000.	
	Average 1905-9.	1910.	Average 1905-9	1910.
I. FOOD, DRINK, AND TOBACCO—				
A. Grain and Flour	73,666	77,298	3,070	3,417
B. Meat (including Animals for Food) ..	50,084	48,879	1,139	938
C. Other Food and Drink	114,728	126,986	16,272	19,716
D. Tobacco	4,562	4,625	1,277	2,043
Total, Class I	243,040	257,788	21,758	26,113
II. RAW MATERIALS AND ARTICLES MAINLY UN-MANUFACTURED—				
A. Coal, Coke, and Manufactured Fuel ...	25	34	35,686	37,813
B. Iron Ore, Scrap Iron and Steel ..	5,941	6,261	513	478
C. Other Metallic Ores	8,800	8,974	130	72
D. Wood and Timber	25,154	26,199	97	129
E. Cotton	58,904	71,717	—	—
F. Wool	31,883	37,363	3,109	4,220
G. Other Textile Materials	15,076	12,802	201	324
H. Oil Seeds, Nuts, Oils, Fats, and Gums ...	27,897	37,587	3,068	5,030
I. Hides and Undressed Skins	10,116	12,881	1,844	1,758
J. Materials for Paper-making	4,242	4,973	645	744
K. Miscellaneous	24,736	42,451	2,253	2,770
Total, Class II	212,774	261,242	47,546	53,338
III. ARTICLES WHOLLY OR MAINLY MANUFACTURED—				
A. Iron and Steel and Manufactures thereof	7,963	9,094	38,766	43,003
B. Other Metals and Manufactures thereof ...	25,602	24,700	9,659	10,360
C. Cutlery, Hardware, Implements, and Instruments	3,786	4,674	5,667	6,424
D. Electrical Goods and Apparatus (except Machinery and Wire)	1,206	1,686	2,291	4,118
E. Machinery (including Machine Tools) ...	4,794	4,471	28,167	29,297
F. New Ships	26	27	8,118	8,769
G. Manufactures of Wood and Timber ...	1,986	2,338	1,327	1,833
H. Yarns and Textile Fabrics:				
(1) Cotton	9,399	10,875	98,105	105,916
(2) Wool	10,923	9,599	30,893	37,524
(3) Silk	13,248	13,521	2,026	2,277
(4) Other Materials	6,571	8,056	12,254	13,484
I. Apparel	4,698	5,107	9,089	12,717
J. Chemicals, Drugs, Dyes, and Colours ..	10,428	11,260	16,633	18,572
K. Leather and its Manufactures (excluding Boots and Shoes)	11,210	11,826	4,168	4,688
L. Earthenware and Glass	4,005	3,817	3,660	4,349
M. Paper	5,621	6,414	2,244	3,119
N. Railway Carriages and Trucks (not of Iron), Motor Cars, Cycles, &c. ...	4,616	5,607	6,048	7,453
O. Miscellaneous	23,004	23,784	23,628	29,120
Total, Class III	149,086	156,856	302,146	343,023
IV. MISCELLANEOUS (INCLUDING PARCEL POST) ...	2,375	2,554	5,892	8,116
Grand Total	£607,275	£678,440	£377,342	£430,590

II.—Britain's Chief Customers and Suppliers

The countries in the following table are arranged in the order of the value of their total trade with the United Kingdom.

Countries.		Imports to Britain, 1910, in £000.	Domestic Exports from Britain, 1910, in £000	Countries.		Imports to Britain, 1910, in £000.	Domestic Exports from Britain, 1910, in £000.
United States ...	...	117,607	31,447	Portugal ...	...	3,096	2,777
Germany ...	...	61,830	37,021	Rumania ...	...	3,184	1,827
British India ...	...	42,764	45,999	Peru ...	...	3,688	1,315
France ...	...	44,283	22,463	European Turkey ...	...	1,355	3,499
Australia ...	...	38,584	27,652	Mexico ...	...	2,297	2,400
Russia ...	...	43,645	12,253	British West Indies ...	...	2,316	2,372
Argentine Republic ...	...	29,010	19,097	Uruguay ...	...	1,743	2,941
Canada ...	...	25,635	19,645	Cuba ...	...	2,669	1,919
Brazil ...	...	17,497	16,427	Hong Kong ...	...	596	3,618
Holland ...	...	18,528	12,695	Greece ...	...	2,287	1,546
Belgium ...	...	19,196	10,887	Channel Islands ...	...	1,593	1,275
Egypt ...	...	21,004	8,717	Philippines and Guam ...	...	1,659	1,172
New Zealand ...	...	20,943	8,653	Canary Islands ...	...	1,423	1,339
Denmark ...	...	19,464	5,426	Gold Coast ...	...	1,065	1,674
Italy ...	...	6,459	12,531	French West Africa ...	...	963	1,448
Spain ...	...	13,928	4,893	Portuguese East Africa ...	...	161	2,190
Sweden ...	...	11,825	6,698	Colonbia ...	...	1,041	1,197
Cape of Good Hope ...	...	7,736	8,044	Algeria ...	...	1,123	842
Straits Settlements ...	...	11,585	4,143	Bolivia ...	...	1,435	240
China ...	...	5,530	9,172	Haiti and San Domingo ...	...	1,184	391
Japan ...	...	4,327	10,122	Newfoundland ...	...	604	962
Switzerland ...	...	9,813	3,371	Siam ...	...	790	668
Austria-Hungary ...	...	7,512	4,001	Morocco ...	...	582	359
Norway ...	...	6,631	4,033	Venezuela ...	...	589	805
Chile ...	...	5,182	5,480	British Guiana ...	...	778	588
Asiatic Turkey ...	...	3,244	5,071	Portuguese West Africa ...	...	122	1,095
Ceylon ...	...	5,987	2,322	Persia ...	...	449	745
Natal ...	...	2,082	5,099	Costa Rica ...	...	827	217
Java ...	...	3,034	3,402	All other Countries ...	...	10,080	13,216
Transvaal ...	...	455	5,783				
Southern Nigeria ...	...	3,238	2,701				
				Total ..	...	£678,257	£430,385

III.—The Principal Commodities Imported into the United Kingdom, with their Principal Sources

The values given are for 1910, to the nearest thousand pounds.

	£000.		£000.
RAW COTTON ...	71,712	RUBBER ...	26,097
United States ...	48,794	Brazil ...	14,435
Egypt ...	17,737	Straits and Malay States ...	4,544
India ...	2,746	Peru ...	1,117
Brazil, Peru, West Indies, W. and E. Africa.		Ceylon, United States, West Africa.	
WHEAT ...	44,161	BUTTER ...	24,493
Russia ...	12,021	Denmark ...	10,208
India ...	7,409	Australia ...	3,567
Canada ...	7,060	Russia ...	3,046
Argentina ...	6,165	France ...	2,116
Australia ...	5,687	Sweden ...	2,022
United States ...	4,757	New Zealand ...	2,001
Rumania, Chile, New Zealand.		Holland, Argentina.	
WOL (SHEEP'S OR LAMB'S) ...	33,812	TIMBER (SAWN) ...	17,016
Australia ...	14,274	Russia ...	7,357
New Zealand ...	8,527	Canada ...	3,238
Canada ...	3,066	Sweden ...	3,234
France ...	1,679	United States ...	1,627
India ...	1,449	Norway ...	1,103
Argentina ...	1,261		
Natal, Chile, Turkey.			

THE EXTERNAL TRADE OF THE UNITED KINGDOM

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	£000		£000
BEEF	1,405	TIN (BLOCKS, INGOTS, ETC.)	7,160
Chilled (6023).		Straits	6,291
Argentina	4,950	Australia, Bolivia.	
United States	1,057	WOOLLEN MANUFACTURES	6,840
From (5581).		France	3,562
Argentina	3,307	Germany	2,122
Australia	1,236	Belgium, Switzerland, Turkey.	
New Zealand, Uruguay.		CHEESE	6,810
BACON	13,391	Canada	4,425
Denmark	6,342	New Zealand	1,311
United States	4,453	Holland, Italy, United States.	
Canada	1,450	TIMBER (HEWN)	6,629
Holland, Russia.		Russia	2,282
SUGAR (REFINED)	13,133	United States, Sweden, India, Germany, Canada, Norway.	
Germany	5,080	PAPER	6,414
Austria	3,104	Germany	1,294
Holland	1,810	Norway	1,217
United States	1,021	Holland, Sweden, Belgium, Russia, France, United States	
France	1,004	IRON ORF	6,057
Belgium, Java		Spain	4,168
SILK MANUFACTURES	12,909	Algeria, Sweden, Greece, Norway, Tunis, Russia	
France	5,156	FURS	5,800
Switzerland	3,309	United States	1,702
Germany	2,025	Germany	1,457
Japan, Italy, Austria		Australia, Canada, Russia, France, Belgium	
SUGAR (UNREFINED)	11,421	PETROLEUM	5,663
Bel (17)		United States	3,746
Germany	2,585	Russia, Rumania, Dutch E. Indies	
Austria, Holland, Belgium.		WHEATMEAL AND FLOUR	5,511
Canada (7794)		United States	2,886
Java	1,605	Canada	1,565
Cuba	1,772	Germany, Australia, France, Austria.	
Haiti	1,079	BARLEY	5,396
British West Indies, Brazil, Peru, Mauritius, British Guiana		Russia	2,396
TEA	11,381	Rumania	793
India	6,231	United States	790
Ceylon	3,695	Asiatic Turkey, Chile	
China, Java		COAL (UNWROUGHT)	5,089
MILK	10,294	United States	2,413
Argentina	5,257	Australia	917
United States	1,552	Chile, Japan, Spain.	
Rumania	1,497	COTTON SEED	4,866
Russia, South Africa, India, Canada		India	2,630
MUTTON	10,163	Egypt	1,662
From (9446)		Brazil, Turkey, Peru	
New Zealand	4,238	OATS	4,824
Australia	2,534	Russia	2,209
Argentina	2,322	Argentina	1,090
LEATHER	9,630	Germany, New Zealand, Chile, Rumania.	
United States	4,057	JUTE (RAW)	4,670
India	2,375	India	4,658
Germany	1,435	LARD	4,520
France, Australia, Canada		United States	4,201
IRON AND STEEL AND THEIR MANUFACTURES	9,086	LINSEED	4,496
Germany	4,308	India	2,409
Belgium	2,392	Argentina	1,140
Sweden	1,143	Russia	
United States	640		
EGGS	7,296		
Russia	3,282		
Denmark	1,732		
Austria, France, Italy.			

	£000.		£000.
MACHINERY	4,471	HEMP (OF ALL KINDS)	3,031
United States	2,288	Philippines	1,520
Germany	1,341	New Zealand, Italy, Russia, India.	
Belgium, France, Switzerland.		EMBROIDERY AND NEEDLEWORK	2,946
SKINS	4,436	Switzerland	2,220
Australia	918	Germany, France.	
Cape	894	MARGARINE	2,935
New Zealand, India.		Holland	2,783
HIDES	4,273	France, United States.	
Italy	478	GLASS AND GLASSWARE	2,920
Argentina, India, Germany, Russia,		Belgium	1,243
France, Australia, Holland, New Zealand.		Germany.	
WINE	4,249	LEAD (PIG AND SHEET)	2,834
France	2,163	Spain	1,097
Portugal	1,084	Australia, United States, Mexico.	
Spain, Germany, Australia.		WOOLLEN YARN	2,796
TALLOW AND STEARINE	4,194	Belgium	1,380
Australia	1,867	France, Germany.	
New Zealand, Argentina, Uruguay,		ZINC (CRUDE)	2,781
United States.		Germany	1,147
WOOD PULP	4,003	Belgium	1,043
Sweden	1,904	Holland, France, United States.	
Norway	1,319	COTTON PIECE GOODS	2,695
Canada, Germany.		Germany	1,669
CHEMICALS	3,883	Belgium, France, Switzerland.	
Germany	1,464	MANURES	2,596
United States, France, Italy, Belgium,		Chile	1,112
Chile, Norway.		United States, Tunis, Germany.	
OXEN AND BULLS	3,752	RICE	2,587
United States	2,393	India	1,402
Canada	1,353	Siam, Holland.	
MOTOR CAR PARTS	3,695	JUTE MANUFACTURES	2,581
France	1,692	India	2,415
Germany, Belgium.		COTTON LACE AND ARTICLES THEREOF	2,542
APPAREL	3,467	Germany	1,254
France	1,884	France	1,168
Germany	1,146	Belgium.	
RAW TOBACCO	3,433	HAMS	2,527
United States	2,750	United States	2,330
Turkey, Holland.		Canada.	
FISH (CURED OR SALTED)	3,372	WOOD MANUFACTURES	2,338
Canada, United States, Norway.		United States	850
MOTOR CARS	3,350	Germany, Russia, Sweden, France,	
France, United States, Belgium,		Canada.	
Germany.		RAW COFFEE	2,303
COPPER ORE, REGULUS, ETC.	3,334	Brazil	662
Spain	754	Costa Rica	524
Chile, Cape, Mexico, Peru, Australia.		India	370
FLAX	3,186	Guatemala, Colombia, Nicaragua,	
Russia	1,893	Mexico, San Salvador.	
Belgium	1,134	ORANGES	2,267
Holland.		Spain	1,888
PALM OIL	3,168	Asiatic Turkey, West Indies, Italy,	
Southern Nigeria	2,141	United States.	
Germany, Gold Coast, Sierra Leone.		APPLES	2,189
FEATHERS AND DOWN	3,112	United States	933
Cape	2,003	Canada	651
France, Germany.		Australia, Belgium, Portugal,	
		France.	
		COCONUT OIL	2,150
		France, Ceylon, Germany, Belgium,	
		Australia.	

	£000.		£000.
OILSEED CAKE	2,110	TANNING SUBSTANCES	1,644
<i>Cotton-seed Cake (953).</i>		<i>Extracts (749).</i>	
Egypt, United States.		France, Argentina.	
<i>Linseed Cake (860).</i>		<i>Bark (226).</i>	
Russia, United States, Germany,		Natal.	
India.		<i>Valonia (170).</i>	
GUM	2,000	Asiatic Turkey.	
<i>Kauri Gum (638).</i>		<i>Gambier (155).</i>	
New Zealand.		Straits.	
<i>Lac Dye, Shellac, &c. (628).</i>		<i>Myrobalans (225).</i>	
India.		India.	
<i>Gum Arabic (176).</i>		<i>Sumach (106).</i>	
Egypt, French West Africa, Nigeria,		Italy.	
India, Persia.		SPIRITS	1,634
NUTS AND KERNELS (FOR OIL) ...	1,915	<i>Brandy (755).</i>	
Australia, Southern Nigeria, Straits.		France.	
FURNITURE WOODS	1,867	<i>Rum (391).</i>	
<i>Mahogany (786).</i>		British West Indies and Guiana.	
Southern Nigeria, French West		<i>Geneva (57).</i>	
Africa, Gold Coast, British Hon-		Holland.	
duras, United States, Cuba,		PAINTERS' COLOURS AND PIGMENTS	1,571
Mexico.		Germany	770
<i>Other Woods (1081).</i>		United States, Belgium, Holland.	
United States, Australia, Russia,		GLOVES (LEATHER)	1,562
Canada, France.		France	591
SILVER ORE	1,862	Austria, Belgium, Germany.	
Mexico	618	NUTS (USED AS FRUIT)	1,524
Australia, Peru, Chile, Spain, United		<i>Almonds (742).</i>	
States.		Spain, Morocco, Italy.	
COAL-TAR DYES	1,838	<i>Other Nuts (782).</i>	
Germany	1,682	France, Spain, Brazil.	
Switzerland, Belgium.		MOHAIR	1,513
TIN ORE	1,821	Cape	731
Bolivia	1,081	European Turkey	696
South Africa, Chile.		Natal, Asiatic Turkey.	
COTTON HOSIERY	1,817	PORK	1,501
Germany	1,603	<i>Fresh (1068).</i>	
CONDENSED MILK	1,806	Holland	900
Holland	796	<i>Salted (304).</i>	
Switzerland	698	Denmark, United States.	
Norway.		TOYS AND GAMES	1,292
RAW COCOA	1,733	Germany	1,012
British West Indies	466	United States, France.	
Ecuador, West Africa, Brazil,		PYRITES OF IRON AND COPPER ...	1,275
Ceylon.		Spain	932
CURRENTS	1,709	Norway, Portugal, Newfoundland,	
Greece	1,702	France.	
BANANAS	1,699	RAW SILK	1,269
Canaries	715	China	621
Colombia	549	France, Italy.	
Costa Rica	269	POTATOES	1,202
British West Indies	163	Channel Islands, France, Canaries,	
DRUGS	1,691	Holland, Portugal.	
<i>Opium (454).</i>		TOBACCO (MANUFACTURED)	1,189
Turkey, Persia.		<i>Cigars (1002).</i>	
<i>Quinine (91).</i>		Cuba	857
Holland, Java, Germany.		<i>Cigarettes (126).</i>	
<i>Peruvian Bark (40).</i>		Egypt, United States, Germany,	
Java, Holland, India, Peru.		France, Turkey.	
<i>Miscellaneous (1127).</i>		OLEO-MARGARINE	1,116
United States, Germany.		Argentina, United States, France,	
ELECTRICAL GOODS AND APPARATUS		New Zealand, Australia, Holland.	
(EXCEPT MACHINERY AND WIRE)	1,687	HARDWARE	1,109
Germany	1,164	Germany	788
		Belgium, United States.	

	£000.		£000.
SKIN AND FUR MANUFACTURES	1,057	POULTRY AND GAME	945
France	501	<i>Poultry (821).</i>	
Germany	330	Russia, France, United States, Italy,	
China		Austria.	
LINEN YARN	1,052	<i>Game (124).</i>	
Belgium	640	Russia, Egypt, Holland.	
France, Germany, Austria.			
ONIONS	1,043	STONE, MARBLE, ETC.	938
Spain	580	<i>Granite (610).</i>	
Egypt, Holland.		Channel Islands, Norway, Belgium,	
ARTIFICIAL FLOWERS	1,022	Sweden.	
France	686	<i>Marble (285).</i>	
Germany, Austria.		Italy, Belgium, France.	
PARAFFIN WAX	1,017	RAISINS	935
United States	872	Spain	469
India, Germany, Austria.		Asiatic Turkey	382
		Greece, United States.	

IV.—The Principal Commodities of British Produce and Manufacture Exported from the United Kingdom, with their Principal Destinations

The values given are for 1910, to the nearest thousand pounds.

	£000.		£000.
COTTON PIECE GOODS	78,685	<i>Machine Tools (715).</i>	
India	22,689	Italy, Japan, France, Australia.	
China	7,271	<i>Textile Machinery (7614).</i>	
Australia	3,421	India	1,225
Asiatic Turkey	3,400	United States	1,142
Egypt	3,364	Russia, Germany, France, Belgium,	
Argentina	2,900	Brazil, Italy.	
Brazil	2,348		
Java	1,987	WOOLLEN AND WORSTED MANUFACTURES	20,420
United States	1,792	Canada	2,574
Hong Kong	1,786	Germany	2,107
Germany	1,747	Australia	1,657
Canada	1,684	United States	1,633
Japan	1,419	France	1,494
Straits	1,394		
Switzerland	1,308	COTTON YARN	13,339
Chile	1,202	<i>Grey Yarn (11,313).</i>	
European Turkey	1,194	Germany	4,455
COAL	36,100	Holland	1,754
France	5,237	India	816
Italy	5,161	Switzerland, United States, France,	
Germany	4,426	Austria, Belgium, Rumania.	
Argentina	2,181	<i>Bleached and Dyed Yarn (2026).</i>	
Sweden	2,175	India	845
Russia	1,877	Turkey.	
Egypt	1,707		
Denmark	1,433	CHEMICALS	9,077
Spain	1,154	United States	1,348
Holland	1,153	France, Australia, Italy, India,	
MACHINERY (OTHER THAN PRIME MOVERS		Japan, Germany, Argentina, Belgium, Canada.	
AND ELECTRICAL)	20,711		
<i>Agricultural (1443).</i>		WOOLLEN YARN	9,046
Russia, Germany, Argentina, France,		Germany	5,505
Italy.		Russia, France, Canada, Denmark,	
<i>Boilers (1477).</i>		Belgium.	
India, Portuguese East Africa, Japan,			
Australia, Argentina.		NEW SHIPS	8,770
<i>Mining Machinery (1281).</i>		Belgium, Australia, Brazil, Holland,	
Transvaal, Portuguese East Africa,		Sweden, Argentina, India, Peru,	
Natal, Cape, Australia.		France, Canada, Spain, Greece,	
<i>Sewing Machines and Parts (1731).</i>		Norway.	
Russia, France, Italy, Germany, Spain,			
Australia.			

THE EXTERNAL TRADE OF THE UNITED KINGDOM

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	£000.		£000.
GALVANIZED IRON SHEETS ...	7,426	<i>Parts (1229).</i>	
India ...	1,514	France, Australia, India.	
Australia ...	1,384	BOOTS AND SHOES ...	3,306
Argentina ...	1,093	Cape, Transvaal, France, India, New Zealand, Natal, Australia.	
Japan, New Zealand, Canada, Chile.		PAPER ...	3,128
APPAREL ...	7,412	Australia, India, France, New Zealand, Canada, United States, Cape, Japan.	
Cape, Transvaal, Australia, New Zealand, Natal, Canada, France, India.		RAILS ...	2,826
WOOL ...	7,111	Argentina, India, Australia, Brazil.	
Germany ...	2,164	LEATHER ...	2,815
United States ...	796	France, Germany, United States, Belgium, Holland, Canada.	
Russia, Sweden, Italy, Japan.		CHINAWARE AND EARTHENWARE ...	2,780
MACHINERY (PRIME MOVERS) ...	6,978	United States, Canada, Argentina, Australia, India, New Zealand.	
<i>Rail Locomotives (1708).</i>		PAINTERS' COLOURS ...	2,693
Argentina, India, Natal, Brazil.		Australia, India, Argentina, Germany, France, Canada, United States.	
<i>Road Locomotives (467).</i>		OILCLOTH ...	2,632
Germany.		Australia, United States, France, Canada, Belgium, Holland, New Zealand.	
<i>Agricultural Prime Movers (1244).</i>		COPPER MANUFACTURES ...	2,582
Russia, Argentina, Germany, Italy.		India ...	1,183
TINNED PLATES ...	6,545	Australia, Egypt.	
United States, India, Germany, Holland, Japan, Australia, France, Rumania.		HARDWARE ...	2,433
LINEN PIECE GOODS ...	5,921	Australia, India, Argentina, Brazil, France, New Zealand.	
United States ...	3,226	WIRE AND WIRE GOODS ...	2,319
Australia, Canada.		Australia, Argentina, Canada, New Zealand.	
MANURES ...	4,922	IMPLEMENTS AND TOOLS ...	2,311
<i>Sulphate of Ammonia (3767).</i>		India, Australia, Russia, Brazil, Argentina.	
United States, Japan, Spain, Java, Italy.		BOOKS ...	2,273
COTTON LACE AND NET ...	4,244	United States, Australia, India, Canada, Cape, New Zealand, Germany.	
United States ...	868	JUTE MANUFACTURES ...	2,215
Germany, Canada, France, Australia.		United States ...	1,000
COTTON THREAD ...	4,193	Canada.	
Germany, Russia, Brazil, Austria, Mexico, India, Argentina, Australia, New Zealand, Switzerland.		LINEN THREAD AND OTHER MANUFACTURES ...	2,165
PIG IRON ...	4,109	United States ...	993
United States, Italy, Germany, France, Canada, Japan, Holland.		Canada, Australia.	
ELECTRICAL GOODS AND APPARATUS ...	4,103	TOBACCO (MANUFACTURED) ...	2,043
Australia, India, United States, Argentina, Brazil.		India, China, Hong Kong, Straits, New Zealand.	
STEEL BARS, ANGLES, GIRDERS, ETC. ...	3,875	HATS AND BONNETS ...	2,000
India, United States, Argentina, Germany.		<i>Felt (1148).</i>	
HERRINGS (CURED) ...	3,723	Canada, Germany, Australia, United States, France.	
Germany ...	1,650	<i>Straw (611).</i>	
Russia ...	1,230	Australia, Canada, New Zealand, Cape, India, Transvaal.	
United States, Italy.		<i>Other (241).</i>	
IRON TUBES AND PIPES ...	3,586	Australia, France, India, Canada, Transvaal.	
Australia, Argentina, India.			
SPIRITS ...	3,471		
Australia, United States, Canada, India, New Zealand.			
ARMS AND AMMUNITION ...	3,327		
Australia, United States, Canada, Italy, India, New Zealand, Japan.			
MOTOR CARS AND PARTS ...	3,315		
<i>Complete Cars (2086).</i>			
Australia, India, New Zealand, United States, Argentina.			

	£000.		£000.
SKINS AND FURS	1,960	<i>Manufactured Fuel (707).</i>	
United States	878	Italy, Brazil, Chile, France, Spain,	
France, Belgium, Germany..		Algeria, Mexico.	
CYCLES AND PARTS THEREOF	1,957	STATIONERY (OTHER THAN PAPER) ...	1,650
Japan, Holland, India, Australia,		India, Australia, United States, Ger-	
Italy, France.		many.	
MEDICINES	1,875	ELECTRICAL MACHINERY	1,603
India, Australia, Germany.		Japan, India, Australia, Argentina,	
TIN (UNWROUGHT)	1,866	Brazil.	
United States, France, Russia, Canada,		RAILWAY WAGONS, TRUCKS, ETC. (NOT	
Germany.		OF IRON)	1,584
WOOD MANUFACTURES	1,836	Argentina, India, Brazil.	
Argentina, India, Southern Nigeria,		GLASS AND GLASSWARE	1,573
United States.		Canada, United States, Australia	
RUBBER GOODS (EXCEPT APPAREL AND		India, Argentina.	
BOOTS AND SHOES)	1,817	CONFECTIONERY, JAMS, AND PRESERVED	
France, Holland, Germany.		FRUITS	1,530
SOAP	1,798	Australia, India, Canada, Belgium,	
India, Cape, China, Holland, France,		Cape, United States.	
United States, Southern Nigeria,		BRASS AND BRASS GOODS	1,285
Straits, Transvaal, Brazil.		Australia, India, France, Holland,	
BEER AND ALE	1,793	Argentina.	
India, United States, Australia, Bel-		OFFALS OF CORN AND GRAIN	1,262
gium, Malta.		Germany, Sweden, Denmark, Holland.	
SILK MANUFACTURES	1,767	MACHINERY BELTING	1,243
France, Germany, United States,		India, Russia.	
Australia.		BISCUITS AND CAKES	1,240
SHIP, BRIDGE, AND OTHER PLATES ...	1,718	India, France.	
Canada, India, Australia, Japan.		COTTON WASTE	1,235
COKE AND MANUFACTURED FUEL ...	1,714	Germany, United States, France.	
Coke (707).		HABERDASHERY, MILLINERY, AND EM-	
Sweden, Spain, Norway, Denmark.		BROIDERY	1,091
		Australia, Canada, India.	

V.—The Principal Commodities of Foreign and Colonial Origin Re-exported from the United Kingdom

Commodities.	Value Re-exported in 1910 in £000.	Commodities.	Value Re-exported in 1910 in £000.
Rubber	14,854	Woollen Manufactures	775
Wool	14,481	Embroidery and Needlework ...	745
Cotton	9,810	Nuts and Kernels for Oil	539
Skins and Furs	6,066	Shells	534
Block Tin	4,877	Apparel	528
Tea	2,312	Linseed	528
Tallow and Stearine	2,259	Kauri Gum	524
Ornamental Feathers	1,964	Wine	468
Silk Manufactures	1,924	Oleo-margarine	467
Leather	1,861	Ivory	399
Raw Coffee	1,860	Bristles	385
Palma Oil	1,821	Lard	384
Unwrought Copper	1,768	Butter	384
Jute Manufactures	1,752	Canned Sardines	380
Jute	1,546	Raw Cocoa	374
Motor Cars and Parts	1,448	Mahogany	359
Hides	1,407	Straw Plait	321
Cotton Lace and Lace Goods ...	1,353	Cotton Piece Goods	314
Hemp	1,063	Gloves	289
Rice	806	Carpets and Rugs	271

Commodities.	Value Re-exported in 1910 in £000.	Commodities.	Value Re-exported in 1910 in £000.
Hats and Bonnets	170	Pictures and Drawings	160
Bladders and Sausage Skins	264	Opium	155
Coconut Oil	250	Stationery (except Paper)	153
Maize	243	China and Earthenware	151
Cane Sugar Unrefined	238	Woollen Rags	147
Canned Salmon	237	Cotton Trimmings	143
Paper	232	Rum	143
Bacon	229	Petroleum	142
Beef	225	Onions	121
Lac Dye and Shellac	221	Grapes	118
Typewriters and Parts	214	Wood Pulp	118
Horses	211	Teak	115
Quicksilver	208	Fancy Goods	113
Electrical Apparatus	205	Sawn Fir	112
Cheese	203	Artificial Flowers	111
Cotton Hosiery	198	Oranges	107
Scientific Instruments	195	Toys and Games	106
Almonds	193	Clover and Grass Seed	105
Raw Tobacco	192	Wheat	104
Bananas	191	Pepper	103
Lobsters	183	Apples	102
Tin Ore	182	Flax	101
Manufactured Cork	182	Telegraph and Telephone Apparatus	100
Bark for Tanning	178	All other Articles	11,076
Pig and Sheet Lead	175		
Agricultural Machinery	174		
Hams,	162		
		Total	£103,761

VI.—The Nature of British Trade with the Principal Countries

Countries.	Britain's Imports from.	Britain's Exports to.
United States	Cotton, wheat, bacon, lard, unwrought copper, petroleum, wheatmeal and flour, leather, oxen and bulls, raw tobacco, hams, timber, machinery, maize, beef, skins and furs, barley, paraffin wax.	Linen manufactures, cotton manufactures, iron and iron and steel manufactures, wool, woollen manufactures, chemicals, jute manufactures, machinery, skins and furs.
Germany	Sugar (refined and unrefined), cotton manufactures, woollen manufactures, silk manufactures, iron and steel manufactures, dyestuffs, skins and furs, leather, steel ingots, &c., chemicals, machinery, apparel, paper, toys and games.	Coal, coke, and manufactured fuel, woollen and worsted yarn, cotton yarn, cotton manufactures, herrings, wool, machinery, woollen manufactures, alpaca and mohair yarn, iron and iron and steel manufactures.
India	Wheat, tea, jute, leather, jute manufactures, wool, rice, cotton, linseed, cotton seed.	Cotton manufactures, iron and iron and steel manufactures, machinery, cotton yarn.
France	Silk manufactures, woollen manufactures, motor cars and parts, butter, apparel, wine, cotton manufactures, wool, sugar (refined).	Coal, coke, and manufactured fuel, machinery, woollen manufactures, leather, iron and iron and steel manufactures.
Australia	Wool, wheat, butter, skins and furs, mutton, unwrought copper, tallow and stearine.	Iron and iron and steel manufactures, cotton manufactures, woollen manufactures, machinery.
Argentine Republic	Wheat, maize, beef, mutton, linseed, wool, oats.	Iron and iron and steel manufactures, cotton manufactures, machinery, coal, woollen manufactures, railway carriages.
Russia	Timber, wheat, butter, eggs, barley, oats, flax, maize.	Machinery, coal, coke, and manufactured fuel, herrings, wool, iron and iron and steel manufactures, cotton manufactures.
Canada	Wheat, cheese, timber, oxen and bulls, bacon, wheatmeal and flour, apples.	Woollen manufactures, cotton manufactures, iron and iron and steel manufactures, linen manufactures.

Countries.	Britain's Imports from.	Britain's Exports to.
Holland	Margarine, sugar, pork, butter, condensed milk, strawboard, cheese, mutton, rice, plants, cocoa and chocolate, seed oil, bacon, starch, eggs.	Cotton yarn, coal, coke, and manufactured fuel, iron and iron and steel manufactures, cotton manufactures, woollen manufactures, ships, manure, corn, chemicals.
Egypt	Cotton, cotton seeds, oilseed cake, onions, eggs.	Cotton manufactures, coal, iron and iron and steel manufactures, machinery, woollen manufactures.
New Zealand	Wool, mutton, butter, cheese, kauri gum, tallow and stearine, skins and furs, beef, oats, wheat, hemp.	Iron and iron and steel manufactures, cotton manufactures, woollen manufactures, apparel, machinery, leather and leather goods, spirits.
Denmark	Butter, bacon, eggs, pork.	Coal, oilseed cake, cotton manufactures, iron and iron and steel manufactures, woollen yarn, bran and pollard, woollen manufactures.
Brazil	Rubber, cotton, coffee, sugar, cocoa, cotton seed, skins and furs, nuts, manganese ore.	Cotton manufactures, coal, machinery, iron and iron and steel manufactures, ships, jute yarn, woollen manufactures.
Italy	Silk manufactures, hides, lemons, eggs, hemp, cheese, carriages, thrown silk, preserved vegetables, marble, olive oil, sumach, nuts, straw plait, poultry and game, zinc ore, sulphur.	Coal, machinery, iron and iron and steel manufactures, chemicals, woollen manufactures, wool, cotton manufactures, fish, manure, cycles.
Spain	Iron ore, oranges, pig and sheet lead, pyrites, copper regulus and precipitate, onions, wine, unwrought copper, raisins, almonds, grapes, quicksilver, cork, esparto, silver ore, olive oil.	Coal, manure, machinery, iron and iron and steel manufactures, chemicals, cotton manufactures, ships, wool, fish.
Sweden	Timber, butter, wood pulp, paper, matches, pig and puddled iron, iron ore, wrought iron, wood manufactures, steel, eggs.	Coal, wool, iron and iron and steel manufactures, ships, cotton manufactures, bran and pollard, machinery, woollen yarn, chemicals, woollen manufactures.
Cape of Good Hope	Wool, ostrich feathers, skins and furs, mohair, copper regulus and precipitate, hides.	Apparel, cotton manufactures, iron and iron and steel manufactures, leather and leather goods, woollen manufactures, books, chemicals, paper, condensed milk, soap.
China	Seeds, raw silk, tea, beans, skins and furs, bristles, silk manufactures, straw plait, tallow and stearine, peas, camels' hair.	Cotton manufactures, iron and iron and steel manufactures, woollen manufactures, tobacco, machinery, cotton yarn, chemicals, soap, drugs.
Japan	Silk manufactures, unwrought copper, seeds, straw plait, curios.	Cotton manufactures, iron and iron and steel manufactures, machinery, woollen manufactures, manure, chemicals, electrical goods, paper, linen manufactures, arms.
Austria-Hungary	Sugar, eggs, gloves, jewellery, barley, glass and glassware, silk manufactures, woollen manufactures, poultry, wheatmeal and flour, petroleum.	Coal, machinery, cotton yarn, woollen manufactures, cotton manufactures, iron and iron and steel manufactures.
Straits Settlements	Tin, rubber, sago, pepper, cassava and tapioca, nuts and kernels for oil, preserved fruit, gambier, gums, hides, gutta percha.	Cotton manufactures, iron and iron and steel manufactures, machinery, tobacco.
Switzerland	Silk manufactures, embroidery, watches and parts thereof, condensed milk, cocoa and chocolate, straw plait, cotton manufactures, cycles and motor cars, woollen manufactures, machinery.	Cotton manufactures, cotton yarn, woollen manufactures, iron and iron and steel manufactures, machinery.
China	Cubic nitre, unwrought and part wrought copper, wheat, wool, copper ore and regulus, barley, silver ore, tin ore, mutton, oats, chemicals, skins and furs.	Cotton manufactures, iron and iron and steel manufactures, coal, woollen manufactures, machinery.
Norway	Timber wood pulp, paper, fish, iron and steel, condensed milk, butter, ice, chemicals, granite, pyrites.	Coal, iron and iron and steel manufactures, cotton manufactures, corn, ships, woollen yarn, wool.

Countries	Britain's Imports from	Britain's Exports to.
Asiatic Turkey ...	Raisins, barley, wool, oranges, valonia, figs, raw tobacco, carpets and rugs, dried fruit, beans, cotton seed, oats.	Cotton manufactures, cotton yarn, woollen manufactures, coal, machinery.
Ceylon ...	Tea, coconut oil, rubber, cocoa, nuts, plum-bago.	Cotton manufactures, iron and iron and steel manufactures, coal, machinery.
Natal ...	Wool, hides, maize, dyestuffs, skins and furs, mohair.	Iron and iron and steel manufactures, machinery, apparel, cotton manufactures, leather and leather goods, chemicals, woollen manufactures.
Portugal ...	Wine, cork, fish, timber, cocoa, copper ore and regulus, pyrites, wool, hides.	Coal, cotton manufactures, iron and iron and steel manufactures, machinery, chemicals, wool, manure.
Java ...	Sugar, tea, corn, cattle foods.	Cotton manufactures, manure, iron and iron and steel manufactures, machinery, biscuits and cakes, coal.
Transvaal ...	Tin ore, copper ore, gold ore.	Apparel, iron and iron and steel manufactures, cotton manufactures, machinery, leather and leather goods, woollen manufactures, railway and other carriages, chemicals, electrical goods, hats, arms, paper.
Southern Nigeria ...	Palm oil, timber, nuts and kernels for oil, cotton, rubber, maize.	Cotton manufactures, iron and iron and steel manufactures, ships, wood manufactures, machinery, soap, apparel, salt.
Rumania ...	Maize, barley, wheat, petroleum, oats, timber.	Cotton manufactures, cotton yarn, iron and iron and steel manufactures, coal, machinery, woollen manufactures, chemicals.
European Turkey ...	Mohair, tobacco, opium, barley, woollen manufactures.	Cotton manufactures, woollen manufactures, coal, cotton yarn, machinery, iron and iron and steel manufactures, copper.
British West Indies ...	Cocoa, sugar, rum, bananas, cotton, oranges, spices, fruit juice, dyestuffs, asphalt, coffee.	Cotton manufactures, iron and iron and steel manufactures, apparel, machinery, woollen manufactures, soap, leather and leather goods, manure, beer, coal.
Peru ...	Rubber, cotton, sugar, alpaca and vicuña, silver ore, copper ore and regulus, wool, guano, cotton seed, tin ore, hats and bonnets.	Cotton manufactures, ships, machinery, woollen manufactures, iron and iron and steel manufactures, coal.
Mexico ...	Silver ore, copper regulus, pig and sheet lead, unwrought copper, coffee, antimony, mahogany.	Cotton manufactures, iron and iron and steel manufactures, machinery, chemicals, woollen manufactures, coal.
Hong Kong ...	Raw silk, preserved ginger, feathers.	Cotton manufactures, woollen manufactures, iron and iron and steel manufactures, tobacco, machinery, cotton yarn.
Uruguay ...	Preserved meat, beef, rubber, wool, mutton, tallow and stearine.	Coal, cotton manufactures, iron and iron and steel manufactures, woollen manufactures, machinery.
Cuba ...	Sugar, cigars, molasses, mahogany, sponge, rum.	Cotton manufactures, linen manufactures, machinery, iron and iron and steel manufactures, woollen manufactures.
Greece ...	Currants, iron ore, sponges, raisins, stones.	Cotton manufactures, coal, ships, woollen manufactures, iron and iron and steel manufactures, machinery, cotton yarn, fish.
Philippines and Guam ...	Hemp, nuts and kernels for oil, tobacco.	Cotton manufactures, iron and iron and steel manufactures, machinery.
Canary Islands ...	Bananas, tomatoes, potatoes, almonds.	Coal, corn, cotton manufactures, manure.
Morocco ...	Barley, eggs, skins, almonds, beans, seeds, drugs, gums.	Cotton manufactures, candles, iron and iron and steel manufactures, cotton yarn.

Counties.	Britain's Imports from.	Britain's Exports to.
Portuguese East Africa	Rubber, ivory, wax.	Iron and iron and steel manufactures, machinery, chemicals, cotton manufactures, condensed milk.
Gold Coast	Rubber, cocoa, palm oil, mahogany, gold ore.	Cotton manufactures, iron and iron and steel manufactures, machinery.
French West Africa ...	Rubber, mahogany.	Cottons, coal.
Algeria	Iron ore, esparto, zinc ore, phosphate, barley, locust beans.	Coal, machinery, cotton manufactures.
Colombia	Bananas, coffee, hides, hats and bonnets, silver ore, rubber, cocoa.	Cotton manufactures, woollen manufactures, machinery, iron and iron and steel manufactures, linen manufactures.
Bolivia	Tin, copper, rubber, silver.	Woollen manufactures, cotton manufactures, candles, machinery.
British Guiana	Sugar, rum, gutta percha, cattle foods, timber.	Manure, cotton manufactures, machinery, iron and iron and steel manufactures, apparel, woollen manufactures, beer.
Siam	Rice, teak, pepper.	Cotton manufactures, iron and iron and steel manufactures, ships, machinery.
Tunis	Phosphate, barley, esparto, iron ore, zinc ore.	Cotton manufactures, coal, machinery.
Bulgaria	Maize, oil, barley.	Cotton manufactures, cotton yarn, machinery, iron and iron and steel manufactures, coal, chemicals, copper, woollen manufactures.
Costa Rica	Bananas, coffee.	Cotton manufactures, iron and iron and steel manufactures, woollen manufactures.
Newfoundland...	Fish oil, fish, pyrites, iron ore, skins and furs, timber.	Ships, woollen manufactures, apparel, cotton manufactures, iron and iron and steel manufactures.

THE SOURCES OF THE PRINCIPAL MINERALS

I.—Coal

Producing Countries.	Annual Output in Thousand Metric Tons.
United States	377,250
United Kingdom	268,554
German Empire	215,286 ¹
Austria-Hungary	49,626 ¹
France	38,072 ¹
Russia	25,059 ¹
Belgium	23,558
Japan	14,825
India	12,975
Australia	10,357
Canada	9,876
China	8,590
Spain	4,118 ¹
Transvaal	2,733
New Zealand	1,891
Natal	1,697
Mexico	1,025
Chile	940
Holland	908
Turkey	771
Italy	480 ¹
Dutch East Indies	433
Orange Free State	402
French Indo-China	347 ¹
Sweden	305
Servia	293 ¹
Peru	186
Bulgaria	163 ¹
Rumania	161 ¹
Rhodesia	149
Cape of Good Hope	111
Other Countries	234

World's Total Production **1,071,675**

The metric ton is 1000 kg. or 2200 lb. avoirdupois.

II.—Tin

Federated Malay States and Straits Settlements	52
Bolivia	18
Dutch East Indies	17
Australia	9
United Kingdom	5
Siam	5
China	5
All other Countries	2

World's Total Production **113**

¹ These figures include the following amounts of lignite or brown coal: German Empire, 67,615,000 metric tons; Austria-Hungary, 33,763,000 tons; France, about 752,000 tons; Russia, 542,000 tons; Spain, 233,000 tons; Italy, 477,000 tons; French Indo-China, 18,000 tons; Servia, 232,000 tons; Bulgaria, all; Rumania, not separately stated.

III.—Iron

Producing Countries.	Annual Output in Thousand Metric Tons.
United States	16,192
German Empire	6,663
United Kingdom	4,925
Spain	4,205
France	3,557
Sweden	2,875
Russia	2,795
Luxemburg	2,081
Austria-Hungary	1,915
Cuba	833
Algeria	528
Newfoundland	513
Italy	284
Greece	282
Canada	90
Tunis	74
Norway	68
Belgium	68
Japan	45
China	43
Australia	33
India	24
All other Countries	13

World's Total Production **48,106**

IV.—Copper

United States	428
Spain	66
Mexico	44
Chile	42
Japan	41
Australia	38
Canada	29
German Empire	23
Peru	21
Russia	17
Cape of Good Hope	8.5
Norway	7
German South-West Africa	6
Italy	3.5
Portugal	3.5
Servia	2
Bolivia	2
Argentine Republic	1.5
Austria-Hungary	1.5
Newfoundland	1.5
All other Countries	4

World's Total Production **790**

The figures in Tables II-IV, and in the subsequent tables showing output of metals, denote the amount of the metal obtainable from the ores raised in the various countries.

V.—Lead:

Producing Countries.	Annual Output in Thousand Metric Tons.
United States	282
Australia	197
Spain	170
Mexico	127
German Empire	75
Italy	27
United Kingdom	21
Tunis	21
Canada	20
Greece	16
Austria-Hungary	14
Turkey	12
German South-West Africa	12
France	9.5
Peru	5.5
Algeria	4.5
Japan	3
Transvaal	2
Servia	1.5
Sweden	1
Rhodesia	1
All other Countries	1
World's Total Production	1023

VI.—Zinc

German Empire	205
United States	173
Australia	117
Spain	71
Italy	66
Algeria	32
Sweden	28
France	21
Tunis	11
Turkey	11
Greece	9
Russia	9
Austria-Hungary	8.5
United Kingdom	6
Mexico	6
French Indo-China	4.5
All other Countries	2.5
World's Total Production	780

VII.—Petroleum

United States	23,947
Russia	7,647
Austria-Hungary	1,720
Dutch East Indies	1,255
Rumania	1,144
India	709
Japan	259
Mexico	180
German Empire	142
France	100
Canada	72
Italy	7
All other Countries	2
World's Total Production	37,184

VIII.—Gold

Producing Countries.	Annual Output of Fine Gold in Thousand Kilograms.
Transvaal	219
United States	142
Australia	96
Russia	42
Mexico	24
Rhodesia	19
India	16
Canada	15
New Zealand	15
China	13
Gold Coast	8.5
Colombia	5
Dutch East Indies	4
Japan	3.5
Korea	3.5
Austria-Hungary	3.5
Brazil	3.5
French Guiana	3
Madagascar	3
British Guiana	2
France	1.5
Nicaragua	1.5
Chile	1
Costa Rica	1
Dutch Guiana	1
All other Countries	8.5
World's Total Production	655

IX.—Silver

Producing Countries.	Annual Output of Fine Silver in Thousand Kilograms.
Mexico	2,129
United States	1,631
Canada	688
Australia	494
Peru	199
German Empire	155
Bolivia	139
Spain	130
Japan	123
New Zealand	54
Austria-Hungary	52
Chile	52
Colombia	43
Greece	29
Transvaal	25
Turkey	24
France	18
Dutch East Indies	16
German South-West Africa	13
Honduras	12
Rhodesia	9
Norway	7.5
United Kingdom	4
Russia	4
Argentine Republic	4
Algeria	1
All other Countries	3.5
World's Total Production	6,059

A kilogram is equal to 2.2 lb. avoirdupois or to 32.15 oz. Troy.

X.—Salt

Producing Countries.	Annual Output in Thousand Metric Tons.	Producing Countries.	Annual Output in Thousand Metric Tons.
United States	3,661	Brazil	211
German Empire	1,998	Tunis	150
United Kingdom	1,874	Rumania	129
Russia	1,873	Ecuador	113
India	1,300	Egypt	99
France	1,100	Aden	90
Spain	837	Australia	76
Austria-Hungary	668	Canada	73
Japan	623	Switzerland	57
Italy	513	Turks and Caicos Islands	54
Turkey	327	All other Countries	272
China	241		
Colombia	220		
		World's Total Production	16,559

THE SOURCES OF THE PRINCIPAL CEREALS
AND TEXTILE MATERIALS

I.—Wheat

Producing Countries	Annual Production in Thousand Cwt.
Russian Empire	418,298
United States	382,917
India	191,140
France	184,921
Italy	101,736
Austria-Hungary	97,790
Canada	89,327
Argentine Republic	83,636
Spain	77,177
Germany	73,908
United Kingdom	33,855
Australia	33,531
Rumania	29,463
Asia Turkey	18,750
Bulgaria	17,177
Algeria	15,715
European Turkey	13,393
Egypt	13,393
Japan	11,944
Chile	9,404
Persia	8,571
Belgium	8,404
Servia	6,269
Mexico	5,513
New Zealand	4,700
Greece	3,750
Sweden	3,585
Tunis	3,444
Uruguay	3,396
Portugal	2,678
Holland	2,159
Denmark	1,975
Switzerland	1,911
Cyprus	1,351
Cape of Good Hope	995
Luxemburg	331
Norway	163

II.—Barley

Russian Empire	203,636
United States	73,709
Germany	68,789

Producing Countries	Annual Production in Thousand Cwt
Austria-Hungary	64,728
Spain	34,953
United Kingdom	30,779
Canada	24,731
Japan	20,532
France	19,964
Algeria	15,776
Denmark	9,281
Rumania	8,633
Sweden	5,995
Italy	4,692
Bulgaria	3,994
Tunis	3,936
Mexico	3,255
Belgium	2,006
Chile	1,607
Servia	1,581
Holland	1,442
Australia	1,283
Norway	1,123
Cyprus	1,047
New Zealand	865
Argentine Republic	610
Cape of Good Hope	329
Switzerland	203

III.—Rye

Russian Empire	422,591
Germany	208,438
Austria-Hungary	80,535
France	26,618
Japan	19,235
Spain	16,283
United States	15,629
Sweden	12,432
Belgium	10,226
Denmark	9,107
Holland	8,553
Bulgaria	3,222
Rumania	1,497
Switzerland	931
Canada	858
Servia	537
Norway	490
Cape of Good Hope	141

IV.—Oats

Producing Countries.	Annual Production in Thousand Cwt.
United States	340,111
Russian Empire	332,464
Germany	179,583
Canada	123,082
France	111,758
Austria-Hungary	78,895
United Kingdom	62,239
Sweden	23,445
Denmark	14,134
Italy	12,397
Belgium	11,740
Spain	9,799
Argentine Republic	9,136
Rumania	8,755
New Zealand	6,584
Holland	6,533
Australia	5,658
Norway	2,971
Bulgaria	2,272
Algeria	2,473
Switzerland	1,578
Tunis	1,555
Servia	1,075
Luxemburg	1,025
Cape of Good Hope	876
Chile	519
Cyprus	138

V.—Maize

United States	1,440,051
Austria-Hungary	99,975
Argentine Republic	87,570
Italy	50,516
Rumania	36,413
Russian Empire	19,893
Servia	13,889
France	13,484
Canada	13,249
Spain	13,213
Mexico	10,484
Bulgaria	10,355
Australia	4,637
Uruguay	2,679
Transvaal	2,519
Natal	2,385
Japan	1,624

Producing Countries.

Annual Production
in Thousand Cwt.

Chile	672
Orange Free State	462
Cape of Good Hope	457
New Zealand	382
Algeria	213

VI.—Cotton

United States	5,044,000
India	1,910,400
Egypt	627,104
Brazil	61,600
Peru	32,444
Hayti	3,390
Mexico	2,907
British West Indies	2,762
British West Africa (especially Southern Nigeria)	2,346
Nyasaland Protectorate	2,144
Cyprus	1,885
Uganda Protectorate	1,148
British East Africa Protectorate	251
Ceylon	235
Malta	174
Queensland	118
Natal	19

VII.—Wool

Australia	622,622
New Zealand	200,547
United Kingdom	134,000
Cape of Good Hope	80,011
India	43,502
Orange Free State	32,157
Natal	24,117
Transvaal	9,426
Basutoland	4,672
Falkland Islands	4,401
Canada	4,151
Cyprus	392

Only the wool-producing British dominions are represented in the above table.

